

CONFIDENTIALUNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

001

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL		5. Lease Serial No. U-205108
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		2. Name of Operator QEP - UINTA BASIN INC		6. If Indian, Allottee or Tribe Name
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		3b. Phone No. (include area code) Ph: 435.781.4309 Fx: 435.781.4329		7. If Unit or CA Agreement, Name and No. <i>White River</i>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENE Lot 8 1139FNL 469FEL At proposed prod. zone		Contact: RALEEN SEARLE E-Mail: raleen.searle@questar.com		8. Lease Name and Well No. OU GB 1MU-4-8-22
14. Distance in miles and direction from nearest town or post office* 34 +/- MILES SOUTH EAST FROM VERNAL, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 4 T8S R22E Mer SLB SME: BLM		9. API Well No. 43-047-35462
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 469' +/-		16. No. of Acres in Lease 907.82		10. Field and Pool, or Exploratory WHITE RIVER
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1500' +/-		19. Proposed Depth 11900 MD		12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5183 KB		22. Approximate date work will start		13. State UT
		20. BLM/BIA Bond No. on file ESB000024		17. Spacing Unit dedicated to this well 40.00
		23. Estimated duration 10 DAYS		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

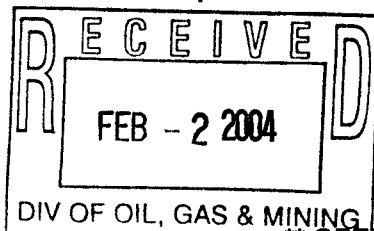
1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	<i>Raleen Searle</i>	Name (Printed/Typed) JOHN BUSCH Ph: 435.781.4341	Date 01/29/2004
Title FIELD SUPERVISOR			
Approved by (Signature)	<i>[Signature]</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 02-11-04
Title		Office ENVIRONMENTAL SCIENTIST III	

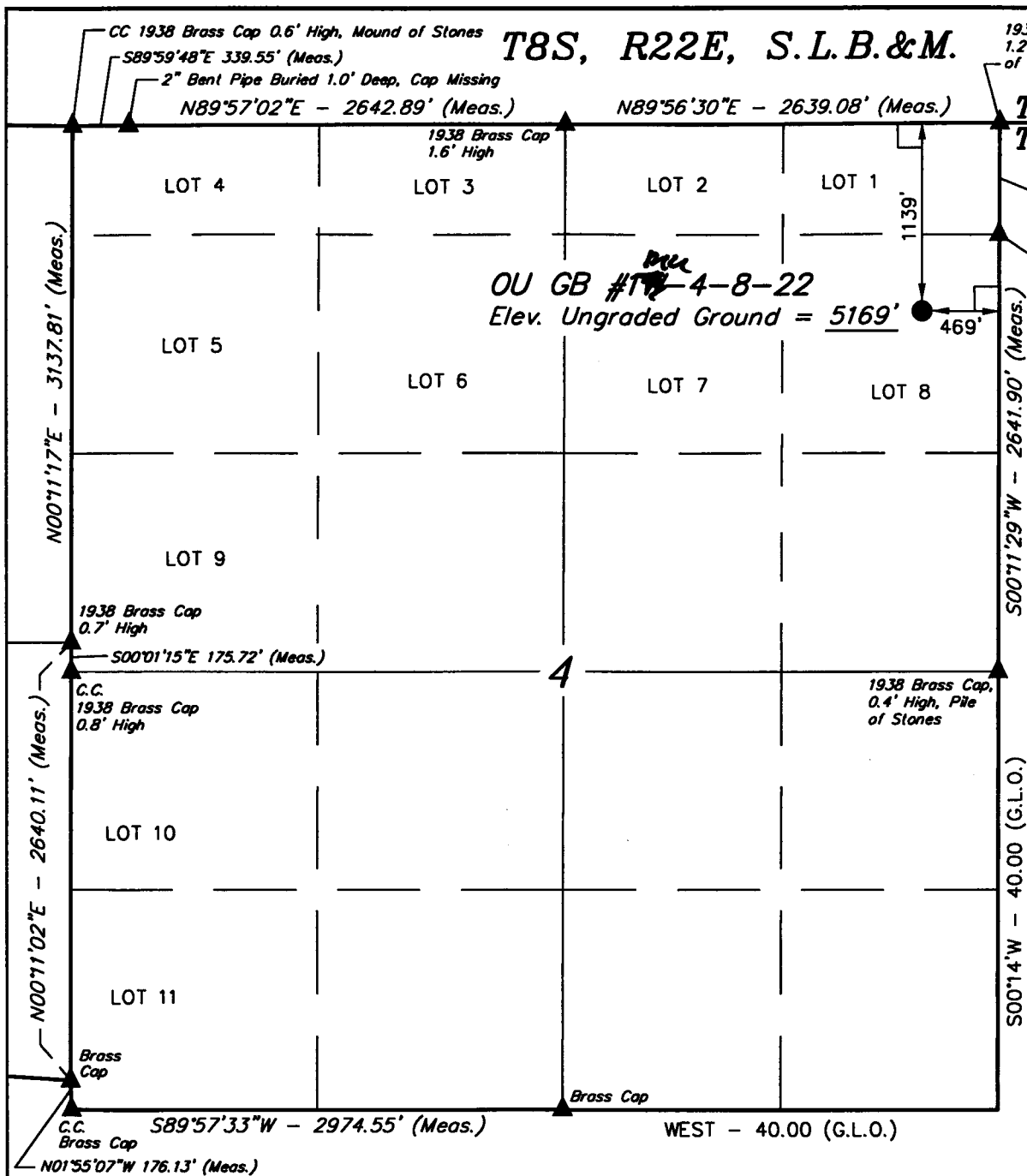
Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #27353 verified by the BLM Well Information System
For QEP - UINTA BASIN INC, sent to the Vernal

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **



SHENANDOAH ENERGY, INC.

Well location, OU GB #1W-4-8-22, located as shown in the NE 1/4 (Lot 8) of Section 4, T8S, R22E, S.L.B.&M. Uintah County, Utah.

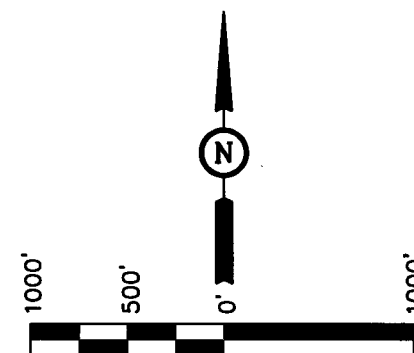
BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

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SCALE
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
 REGISTRATION NO. 163319
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 40°09'27.43" (40.157619)
 LONGITUDE = 109°26'14.00" (109.437222)

SCALE 1" = 1000'	DATE SURVEYED: 01-13-03	DATE DRAWN: 01-15-03
PARTY D.K. G.O. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE SHENANDOAH ENERGY, INC.	

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

February 10, 2004

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2004 Plan of Development White River Unit,
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2004 within the White River Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ MesaVerde)		
43-047-35459	OU GB 7MU-4-8-22 Sec 4 T08S R22E 2674 FNL 2408 FEL	
43-047-35460	OU GB 8MU-4-8-22 Sec 4 T08S R22E 2114 FNL 0702 FEL	
43-047-35461	OU GB 2MU-4-8-22 Sec 4 T08S R22E 0600 FNL 1942 FEL	
43-047-35462	OU GB 1MU-4-8-22 Sec 4 T08S R22E 1139 FNL 0469 FEL	

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - White River Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:2-10-04

Additional Operator Remarks:

QEP Uinta Basin, Inc. proposes to drill a well to 11900' to test the Mesa Verde. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See attached 8-Point drilling program.

See Onshore Order No. 1 Attached

Please be advised that QEP Uinta Basin, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. ESB000024. The principal is QEP Uinta Basin, Inc. via surety as consent as provided for the 43 CFR 3104.2.

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DRILLING PROGRAM

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ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Prod. Phase Anticipated</u>
Uinta	Surface	
Green River	2974'	
Wasatch	6494'	
Mesa Verde	11,300'	
TD	11,900'	

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Mesa Verde	11,900'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will

DRILLING PROGRAM

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be obtained from Wonsits Valley water right #36125 or where possible a fresh water line (poly pipe) will be laid in the access road to each location to supply fresh water for drilling purposes.

3. Operator's Specification for Pressure Control Equipment:

- A. 3,000 psi W.P. Double Gate BOP or Single Gate BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 2500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

4. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Type</u>	<u>Weight</u>
Surface	1200'	12 -1/4"	9-5/8"	J-55	36lb/ft (new) LT&C
Production	11,900'	7 - 7/8"	4 -1/2"	P-110	13.5lb/ft (new)LT&C

*High Collapse P-110

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
If drilling with air the following will be used:
- F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.

-
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').
 - H. Compressor shall be tied directly to the blooie line through a manifold.
 - I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.
6. Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. Testing, logging and coring program

- A. Cores – none anticipated
- B. DST – none anticipated

Logging – Mud logging – 4500 to TD
GR-SP-Induction
Neutron Density
MRI

- C. Formation and Completion Interval: Mancos interval, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

DRILLING PROGRAM

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7. Cementing Program

<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	685 sx	Class "G" single slurry mixed to 15.6 ppg, yield = 1.19 cf/sx. Fill to surface with 160 cf (685 sx) calculated. Tail plug used. Allowed to set under pressure

Production	Lead-1222sx* Tail-452sx*	Lead/Tail oilfield type cement circulated in place . Tail slurry: Class "G" + gilsonite and additives as required, mixed to 14.8 ppg, yield = 1.34 cf/sx. Fill to 10400' ($\pm 300'$ above top of Wasatch).
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Cement Characteristics:

Lead slurry: Class "G" + extender and additives as required, mixed to 11.0 ppg, yield = 3.82 cf/sx. Fill to surface. Tail plug used. Allowed to set under pressure.

*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 4760.0 psi. Maximum anticipated bottom hole temperature is 140° F.

QEP UINTA BASIN, INC.
OU GB 1MU-4-8-22
1139' FNL, 469' FEL
NENE, SECTION 4, T8S, R22E
UINTAH COUNTY, UTAH
LEASE U-205108

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ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was completed on January 21, 2004 with weather conditions cool. The following individuals were in attendance:

Paul Buhler - Bureau of Land Management
Dixie Sadlier - Bureau of Land Management
Raleen Searle - QEP Uinta Basin, Inc.
Jan Nelson - QEP Uinta Basin, Inc.

1. **Existing Roads:**

The proposed well site is approximately 33 miles South East of Vernal, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

Improvements will be made to the existing two-track (access roads).

2. **Planned Access Roads:**

Refer to Topo Map B for the location of the proposed access road.

New access roads on BLM surface will be 30' in width crowned (2 to 3%), ditched, and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the road bed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

3. **Location of Existing Wells Within a 1 – Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

Refer to Topo Map D for the location of the proposed pipeline.

A containment dike will be constructed completely around those production facilities which contains fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted impervious subsoil; hold 110% of the capacity of the largest tank; and, be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/VFO AO. The use of topsoil of the construction of dikes will not be allowed. All loading lines will be placed inside the berm surrounding tank battery. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad unless the BLM/VFO AO determines that another color shall be used. Surface pipeline will be 3" zaplocked steel surface line. Pipeline will be zaplocked on location and then pulled into place using a rubber tired tractor.

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5. Location and Type of Water Supply:

Fresh water for drilling purposes will be obtained from Wonsits Valley Water Right #36125, or Red Wash Right #49-2153.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized. Any gravel will be obtained from a commercial source. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2-3.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit. Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility with 120 days after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order #7, all produced water will be contained in tanks on location and then hauled to Wonsits Valley location in SWNW section 12, T8S, R21E; or Red Wash Disposal Well located in NESW, Section 28, T7S, R22E; or, Red Wash Central Battery Disposal located in SWSE, Section 27, T7S, R23E. Pit reclamation for lined pit will be ruptured when emptied to allow the remaining liquid to be adequately mixed and to promote additional drying of the pit area.

8. Ancillary Facilities:

None anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A pit liner will be installed felt if bedrock is encountered.

10. Plans for Reclamation of the Surface:

Topsoil will be stripped and salvaged to provide for sufficient quantities to be respread to a depth of at least 4 to 6 inches over the disturbed areas to be reclaimed. Topsoil shall be stockpiled separately from subsoil materials. Topsoil salvaged from the reserve pit shall be stockpiled separately near the reserve pit. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production. Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The reserve pit will be reclaimed within 120 days from the date of well completion, weather permitting.

Seed Mix #5

11. Surface Ownership:

The well pad and access road are located on lands owned by:

Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435) 781-4400

12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

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Lessee's or Operator's Representative:

John Busch
Red Wash Operations Rep.
QEP Uinta Basin, Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4341

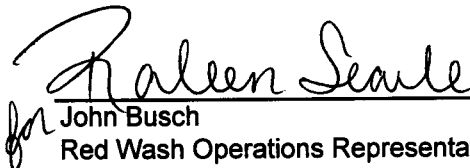
Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

QEP Uinta Basin, Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by QEP Uinta Basin, Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.


for John Busch
Red Wash Operations Representative

January 29, 2004
Date

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SHENANDOAH ENERGY, INC.

OU GB #1 ^{min} ~~2~~-4-8-22

LOCATED IN Uintah COUNTY, UTAH
SECTION 4, T8S, R22E, S.L.B.&M.

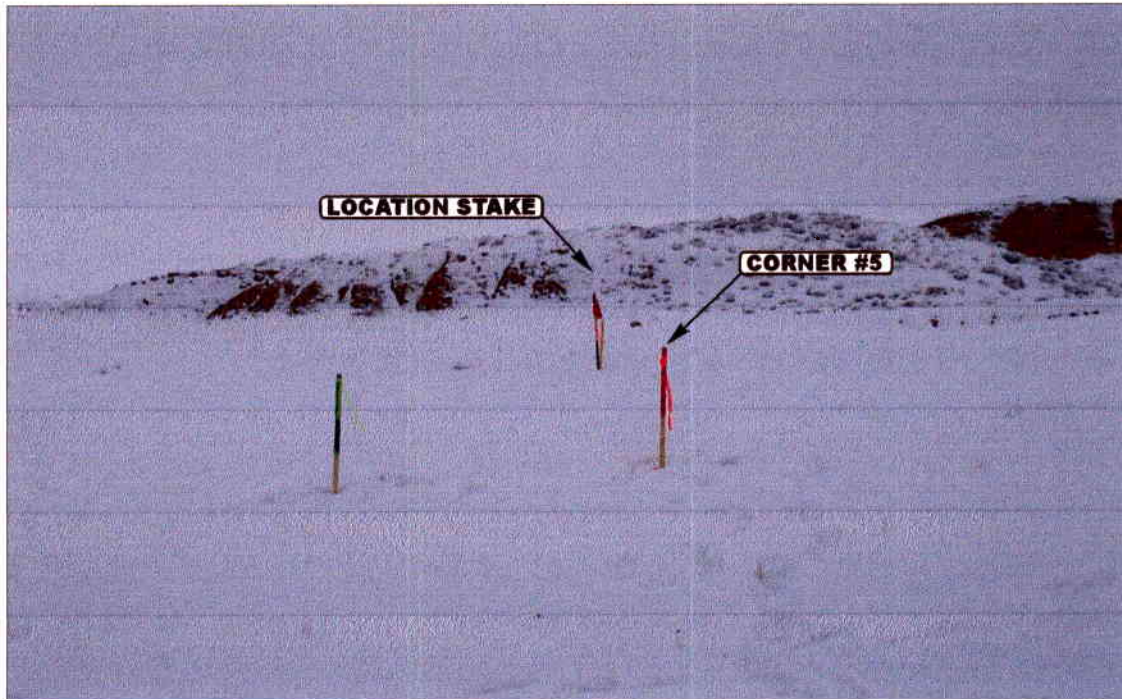


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

U **E** **L** **S** Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

01 **14** **03**
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: P.M.

REVISED: 00-00-00

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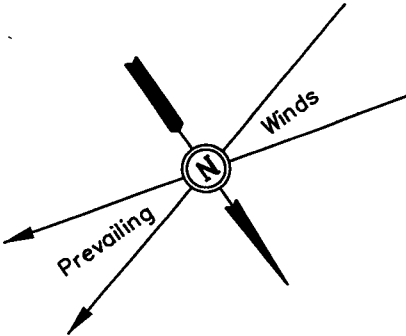
SHENANDOAH ENERGY, INC.

FIGURE #1

LOCATION LAYOUT FOR

OU GB #14-4-8-22
SECTION 4, T8S, R22E, S.L.B.&M.
1139' FNL 469' FEL

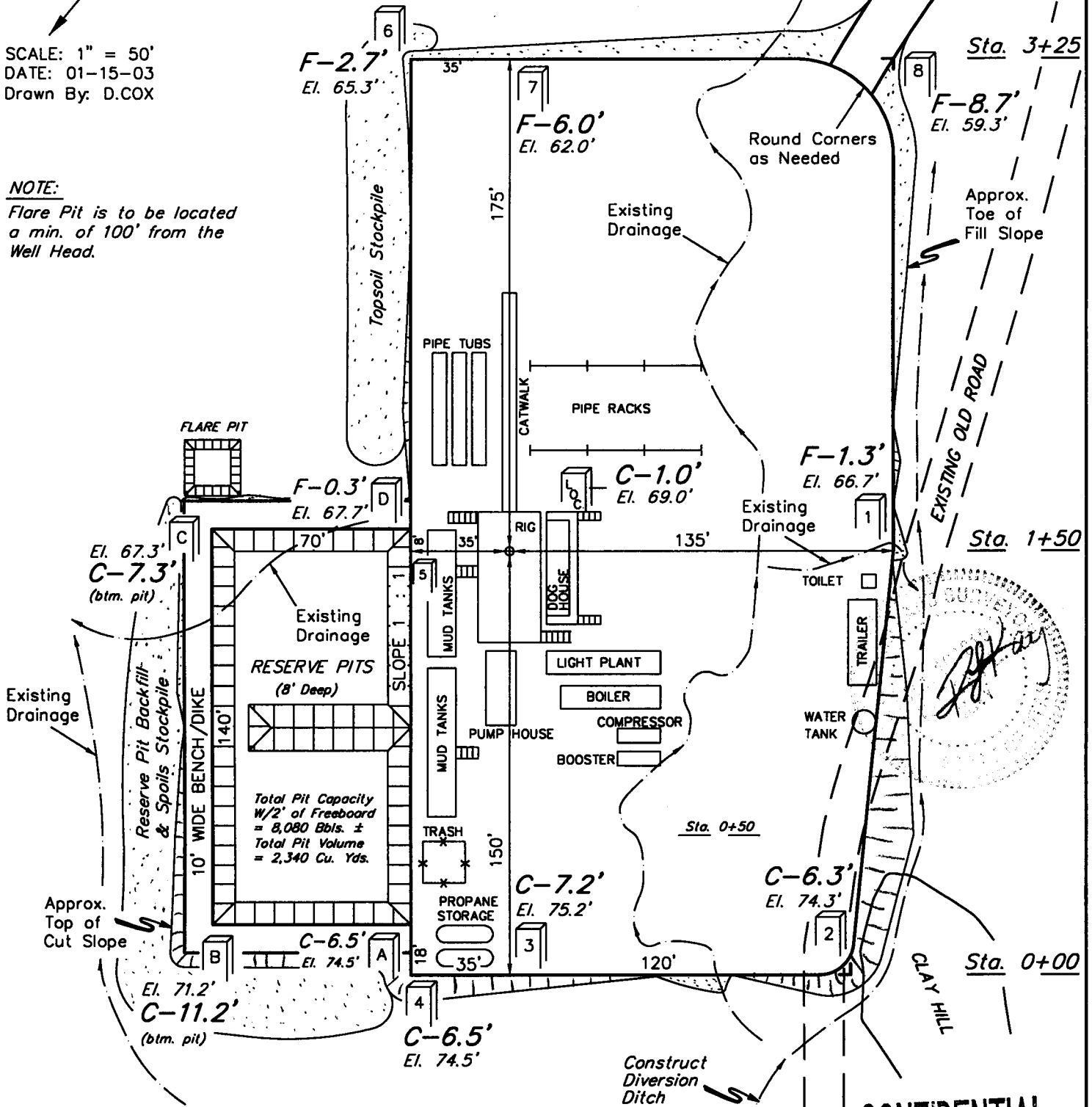
Proposed Access
Road (Ramp On)



SCALE: 1" = 50'
DATE: 01-15-03
Drawn By: D.COX

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5169.0'
FINISHED GRADE ELEV. AT LOC. STAKE = 5168.0'

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85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

SHENANDOAH ENERGY, INC.

TYPICAL CROSS SECTIONS FOR

OU GB #14-4-8-22

SECTION 4, T8S, R22E, S.L.B.&M.

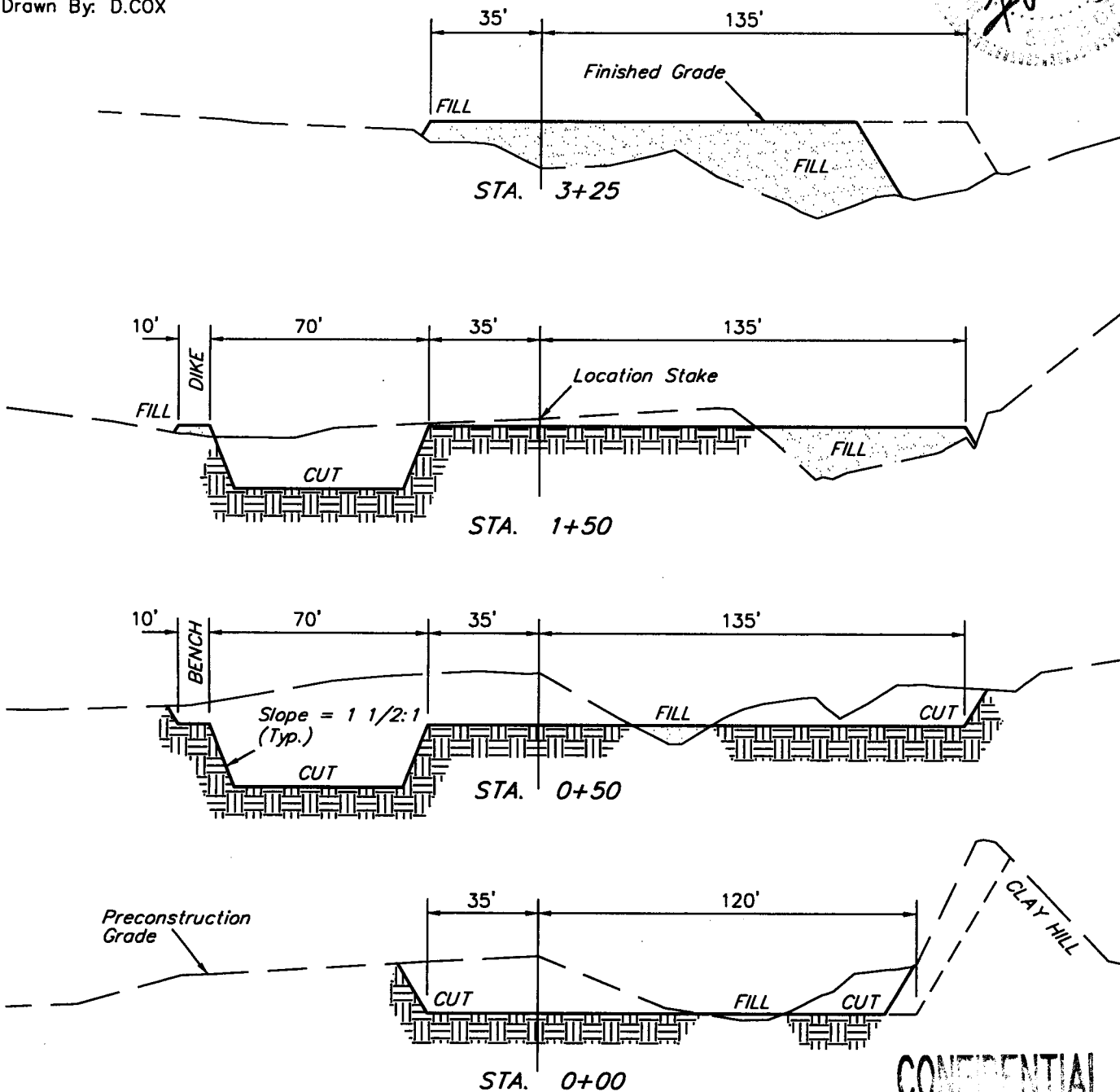
1139' FNL 469' FEL

FIGURE #2

1" = 20'
X-Section
Scale
1" = 50'

DATE: 01-15-03

Drawn By: D.COX



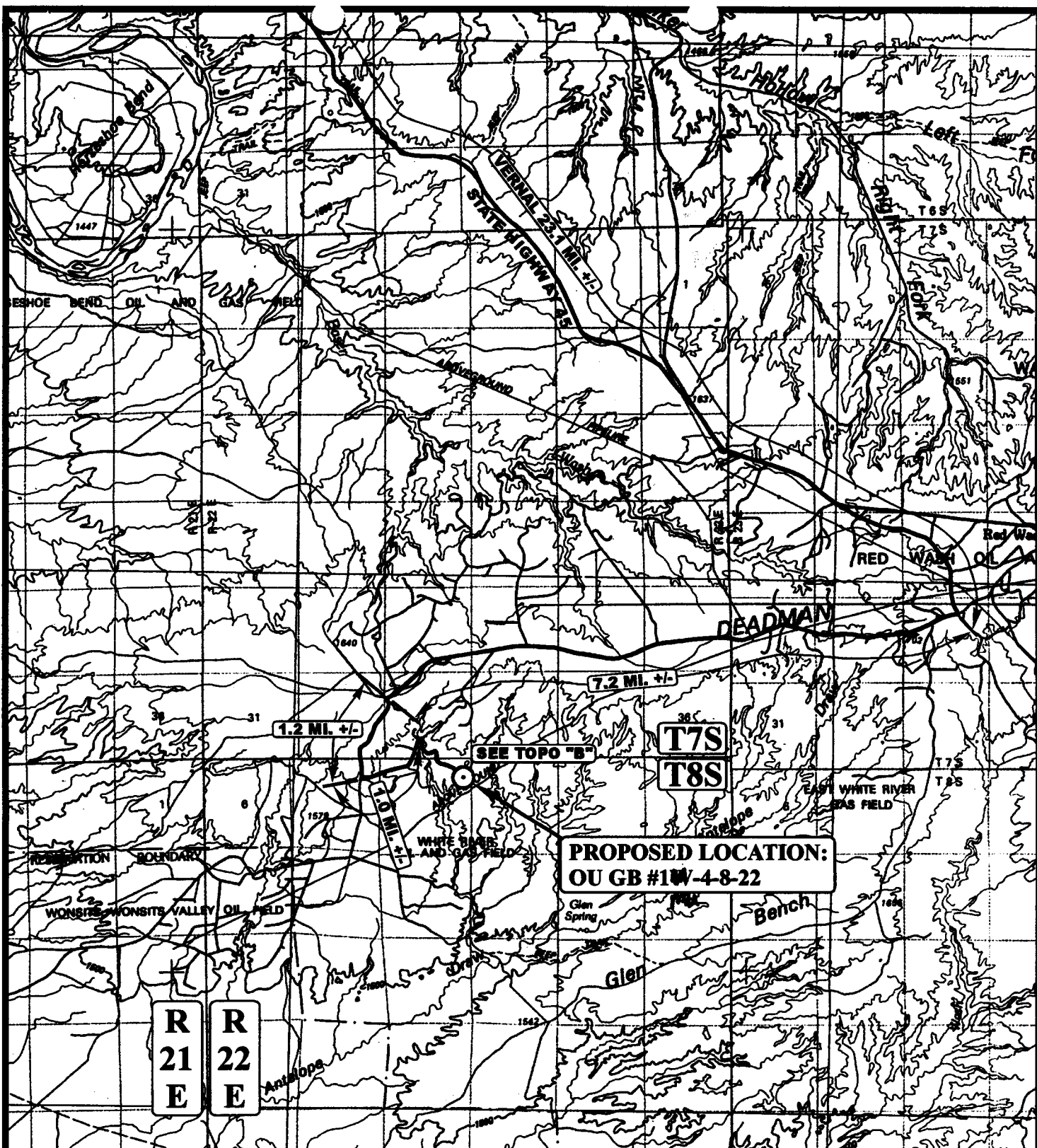
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APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,260 Cu. Yds.
Remaining Location	= 6,590 Cu. Yds.
TOTAL CUT	= 7,850 CU.YDS.
FILL	= 5,150 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,430 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,430 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

○ PROPOSED LOCATION



SHENANDOAH ENERGY, INC.

OU GB #1W-4-8-22
SECTION 4, T8S, R22E, S.L.B.&M.
1139' FNL 469' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

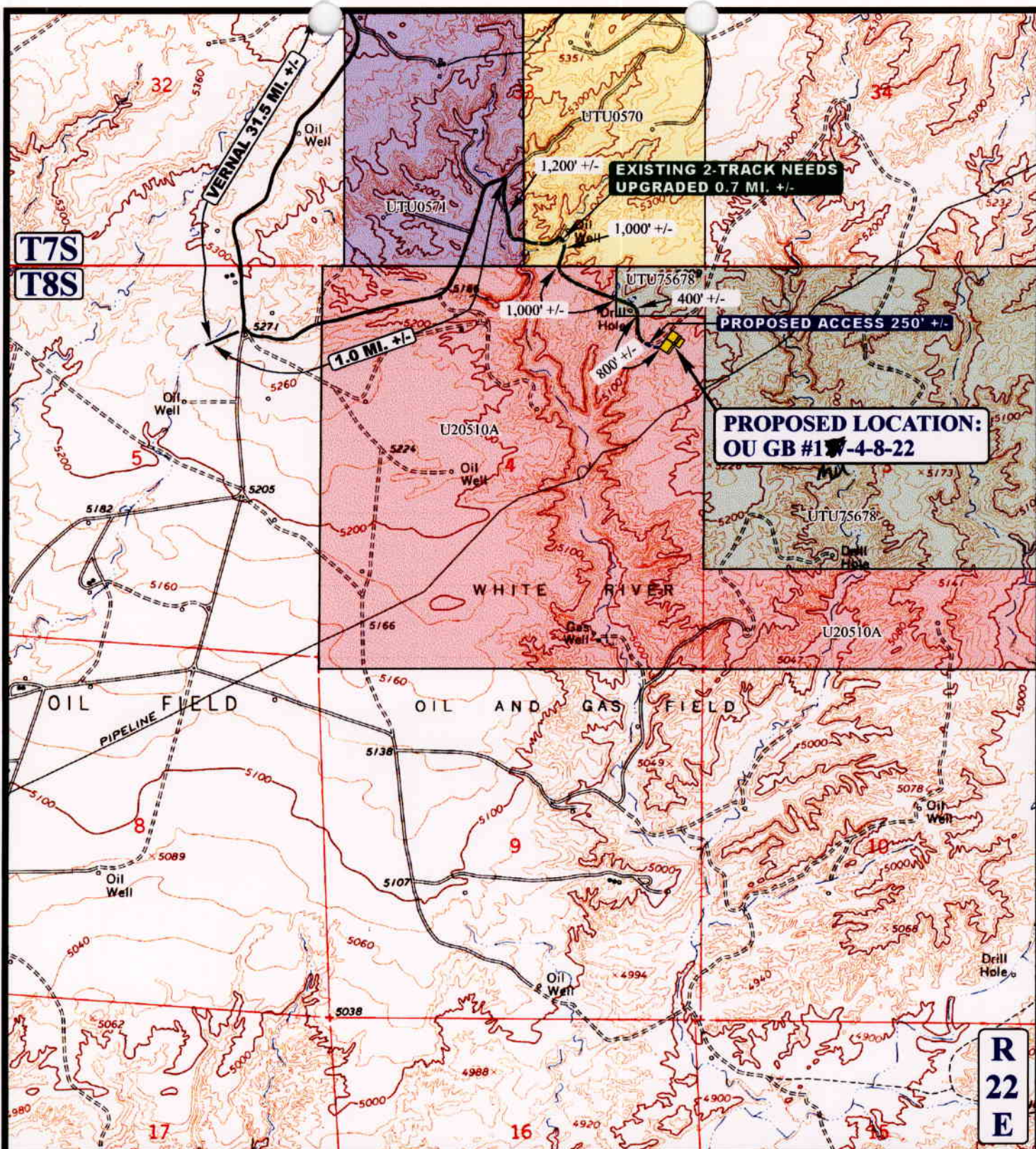
TOPOGRAPHIC
MAP

01 14 03
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00



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LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED

U
E
S

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



SHENANDOAH ENERGY, INC.

OU GB #1-4-8-22
SECTION 4, T8S, R22E, S.L.B.&M.
1139' FNL 469' FEL

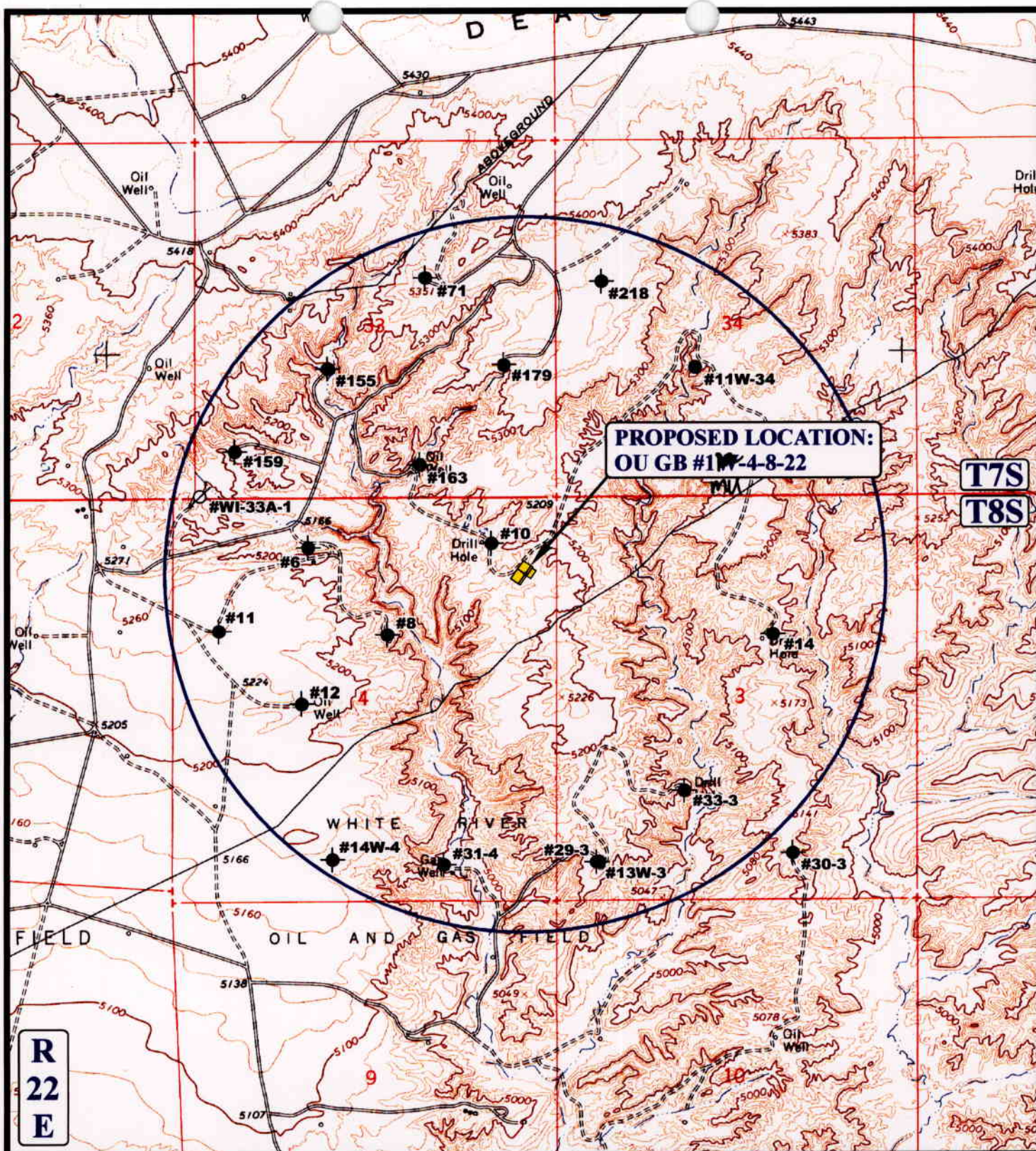
TOPOGRAPHIC
MAP

01 14 03
MONTH DAY YEAR

SCALE: 1" = 2000' **DRAWN BY: P.M.** **REVISED: 00-00-00**

B
TOPO

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LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

SHENANDOAH ENERGY, INC.

OU GB #11W-4-8-22
SECTION 4, T8S, R22E, S.L.B.&M.
1139' FNL 469' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



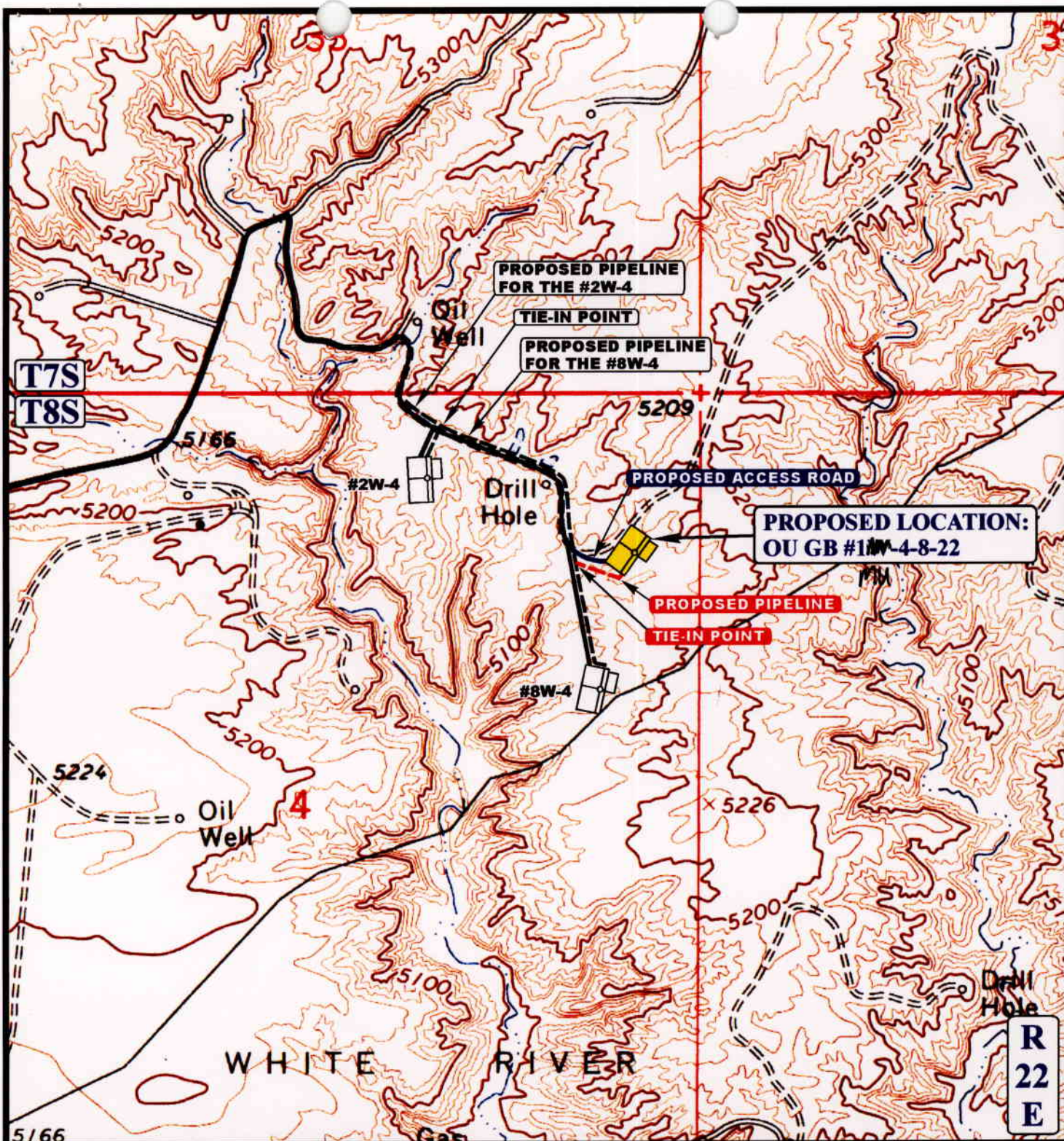
TOPOGRAPHIC
MAP

01 14 03
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

C
TOPO

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APPROXIMATE TOTAL PIPELINE DISTANCE = 350' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- - - - - EXISTING PIPELINE
- - - - - PROPOSED PIPELINE



SHENANDOAH ENERGY, INC.

OU GB #1W-4-8-22
SECTION 4, T8S, R22E, S.L.B.&M.
1139' FNL 469' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

01 14 03
 MONTH DAY YEAR

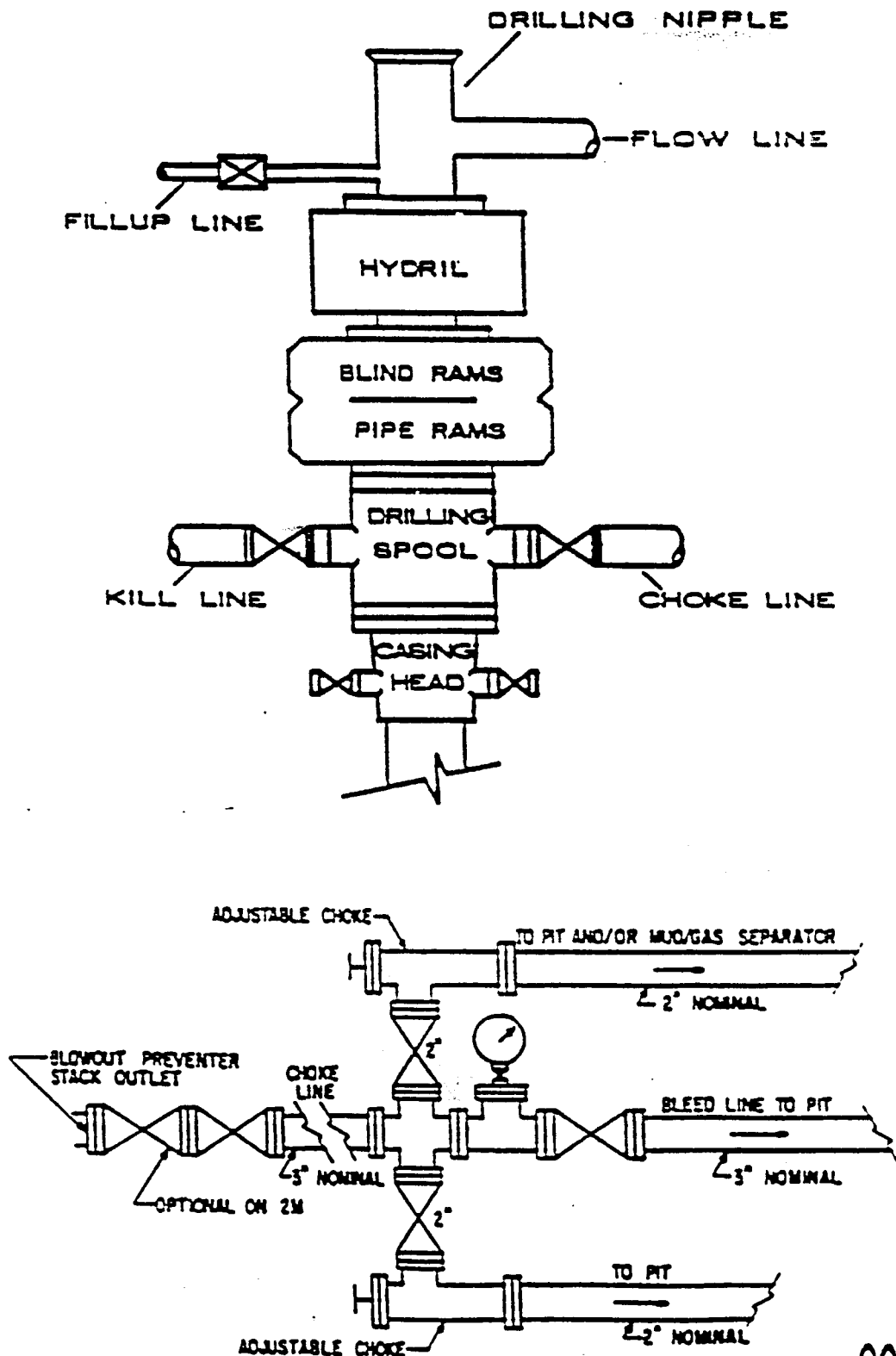
SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00



CONFIDENTIAL

Drilling Program

SCHEMATIC DIAGRAM OF 3,000 PSI BOP STACK



CONFIDENTIAL

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

005

APD RECEIVED: 02/02/2004

API NO. ASSIGNED: 43-047-35462

WELL NAME: OU GB 1MU-4-8-22

OPERATOR: QEP UINTA BASIN, INC. (N2460)

CONTACT: RALEEN SEARLE

PHONE NUMBER: 435-781-4309

PROPOSED LOCATION:

NENE 04 080S 220E

SURFACE: 1139 FNL 0469 FEL

BOTTOM: 1139 FNL 0469 FEL

UINTAH

WHITE RIVER (705)

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-205108

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.15771

LONGITUDE: 109.43659

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. ESB000024)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit
(No. 49-2153)

☒ RDCC Review (Y/N)
(Date:)

☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit WHITE RIVER

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

☒ R649-3-3. Exception

___ Drilling Unit

Board Cause No: _____

Eff Date: _____

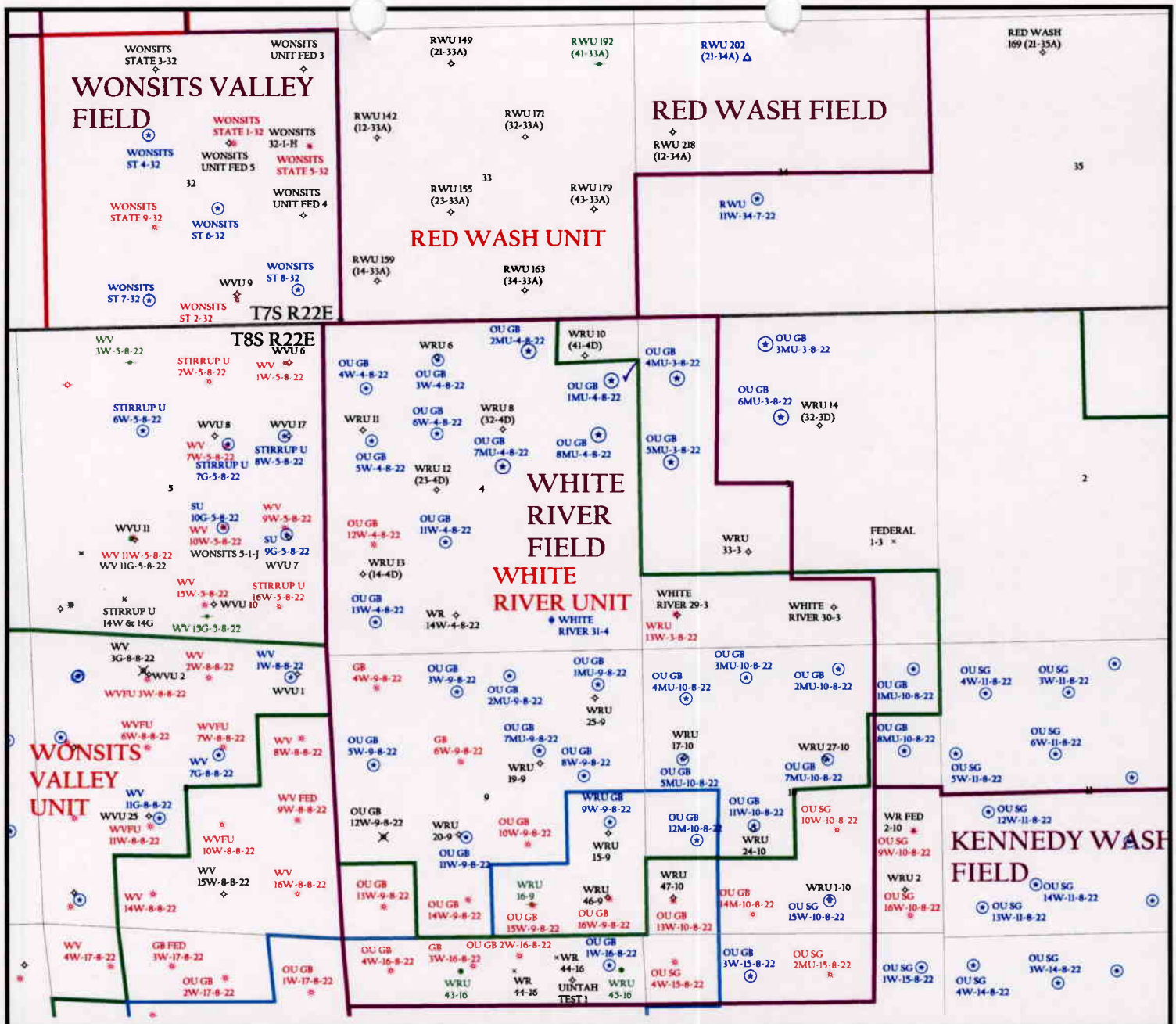
Siting: _____

___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1- Federal Approved
2- Spacing Snp



OPERATOR: QEP UINTA BASIN INC (N2460)

SEC. 4 T.8S, R.22E

FIELD: WHITE RIVER (705)

COUNTY: UINTAH

SPACING: R649-3-3 / EXCEPTION LOCATION

Wells

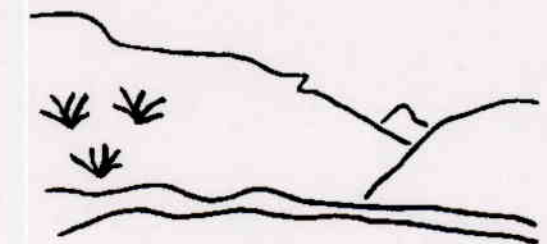
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 9-FEBRUARY-2004

February 9, 2004

Division of Oil, Gas & Mining
1594 W. N. Temple STE 1210
Salt Lake City, UT 84114-5801

To Whom It May Concern:

In reference to the State Oil and Gas Conservation rule R649-3-3 QEP Uinta Basin, Inc. OU GB 1MU-4-8-22 is an exception to this rule due to topography.

There are no additional lease owners with 460' of the proposed location. If you have any question please contact Jan Nelson @ (435) 781-4331.

Thank you,



Jan Nelson

RECEIVED
FEB 11 2004
DIV. OF OIL, GAS & MINING



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

February 11, 2004

QEP-Uinta Basin, Inc.
11002 East 17500 South
Vernal, UT 84078

Re: Over and Under Glen Bench 1MU-4-8-22 Well, 1139' FNL, 469' FEL, NE NE,
Sec. 4, T. 8 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35462.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Baza".
John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: OEP-Uinta Basin, Inc.
Well Name & Number Over and Under Glen Bench 1MU-4-8-22
API Number: 43-047-35462
Lease: U-205108

Location: NE NE Sec. 4 T. 8 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

007

Form 3160-3
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL		5. Lease Serial No. UTU02510A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone				6. If Indian, Allottee or Tribe Name
2. Name of Operator QEP UINTA BASIN INC		Contact: RALEEN SEARLE E-Mail: rsearle@westportresourcescorp.com		7. If Unit or CA Agreement, Name and No. UTU63021X
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		3b. Phone No. (include area code) Ph: 435.781.7044 Fx: 435.781.7094		8. Lease Name and Well No. OU GB 1MU-4-8-22
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface Lot 8 1139FNL 469FEL 40.15762 N Lat, 109.43722 W Lon At proposed prod. zone		9. APT Well No. 43-047-35462-00-X1		10. Field and Pool, or Exploratory WHITE RIVER
14. Distance in miles and direction from nearest town or post office* 34 +/- MILES SOUTH EAST FROM VERNAL, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 4 T8S R22E Mer SLB SME: BLM		12. County or Parish UINTAH
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 469' +/-		16. No. of Acres in Lease 907.83		13. State UT
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1500' +/-		17. Spacing Unit dedicated to this well 40.00		20. BLM/BIA Bond No. on file ESB000024
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5183 KB		19. Proposed Depth 11900 MD		23. Estimated duration 10 DAYS
22. Approximate date work will start		24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) JOHN BUSCH Ph: 435.781.4341	Date 01/29/2004
Title FIELD SUPERVISOR		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) HOWARD B CLEAVINGER II	Date 05/21/2004
Title AFM FOR MINERAL RESOURCES		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #27353 verified by the BLM Well Information System
For QEP UINTA BASIN INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 01/30/2004 (04LW0666AE)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional Operator Remarks:

QEP Uinta Basin, Inc. proposes to drill a well to 11900' to test the Mesa Verde. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See attached 8-Point drilling program.

See Onshore Order No. 1 Attached

Please be advised that QEP Uinta Basin, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. ESB000024. The principal is QEP Uinta Basin, Inc. via surety as consent as provided for the 43 CFR 3104.2.

Revisions to Operator-Submitted EC Data for APD #27353

	Operator Submitted	BLM Revised (AFMSS)
Lease:	U-205108	UTU02510A
Agreement:		UTU63021X
Operator:	QEP - UINTA BASIN INC 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435.781.4309 Fx: 435.781.4323	QEP UINTA BASIN INC 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435.781.4300
Admin Contact:	RALEEN SEARLE REGULATORY AFFAIRS ANALYST 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435.781.4309 Fx: 435.781.4329 E-Mail: raleen.searle@questar.com	RALEEN SEARLE PREPARER 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435.781.7044 Fx: 435.781.7094 E-Mail: rsearle@westportresourcescorp.com
Tech Contact:	JOHN BUSCH FIELD SUPERVISOR 11002 E. 17500 S. VERNAL, UT 84078	JOHN BUSCH FIELD SUPERVISOR 11002 EAST 17500 SOUTH VERNAL, UT 84078
Well Name:	OU GB	OU GB
Number:	1MU-4-8-22	1MU-4-8-22
Location:		
State:	UT	UT
County:	UINTAH	UINTAH
S/T/R:	Sec 4 T8S R22E Mer SLB	Sec 4 T8S R22E Mer SLB
Surf Loc:	NENE Lot 8 1139FNL 469FEL	Lot 8 1139FNL 469FEL 40.15762 N Lat, 109.43722 W Lon
Field/Pool:	WHITE RIVER	WHITE RIVER
Bond:	ESB000024	ESB000024

COAs Page 1 of 2
Well No.: OU GB 1MU-4-8-22

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: QEP-Uintah Basin Inc.

Well Name & Number: OU GB 1MU-4-8-22

API Number: 43-047-35462

Lease Number: U-02510-A

Location: Lot 8 Sec. 4 T. 8S R. 22E

Agreement: White River Unit

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

Casing Program and Auxiliary Equipment

The BOPE system outlined in the APD is not adequate for the proposed depth. A 5M system will be required.

As a minimum requirement, the cement behind the production casing must extend 200' above the top of the Green River formation which has been identified at $\pm 3060'$.

COAs Page 2 of 2
Well No.: OU GB 1MU-4-8-22

Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supercede the requirement for submittal of paper logs to the BLM.

Other Information

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874

Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

Paleontological monitoring will be required on all this location.

The proposed road is within ½ mile of an active Ferruginous Hawk nest. There will be no construction on the access road between March 1 and July 15.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

008

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir

Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.
UTU-02510A

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
WHITE RIVER

8. Well Name and No.
MU
OU GB 1W-4-8-22

9. API Well No.
43-047-35462

10. Field and Pool, or Exploratory Area
WHITE RIVER

11. County or Parish, State
UINTAH, UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
☐ Well ☒ Well ☐ Other

CONFIDENTIAL

2. Name of Operator

QEP UINTA BASIN, INC.

Contact: Jan Nelson

Email: Jan.Nelson@questar.com

3. Address and Telephone No

11002 E. 17500 S. VERNAL, UT 84078-8526

(435) 781-4331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NENE, LOT 8, 1139'FNL 469'FEL, SECTION 4, T8S, R22E

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other APD Extension

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the OU GB 1MU-4-8-22.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 12-16-04

By: [Signature]

COPY SENT TO OPERATOR
Date: 12-17-04
Initials: CHD

14. I hereby certify that the foregoing is true and correct.

Signed Jan Nelson

Title Regulatory Affairs Analyst

Date 12-10-04

(This space for Federal or State office use)

Approved by:

Title

Date

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

RECEIVED

DEC 15 2004

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35462
Well Name: OUGB 1W-4-8-22
Location: NENE, LOT 8, 1139' FNL 469' FEL, SEC. 4, T8S, R22
Company Permit Issued to: QEP UINTA BASIN INC.
Date Original Permit Issued: 2/11/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Jan Nelson
Signature

12/10/2004

Date

Title: Regulatory Affairs Analyst

Representing: QEP UINTA BASIN INC.

RECEIVED

DEC 15 2004

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

009

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir

Use "APPLICATION FOR PERMIT—" for such proposals

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
UTU-02510A

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
WHITE RIVER

8. Well Name and No.
OU GB 1W-4-8-22

9. API Well No.
43-047-35462

10. Field and Pool, or Exploratory Area
WHITE RIVER

11. County or Parish, State
UINTAH, UTAH

SUBMIT IN TRIPLICATE

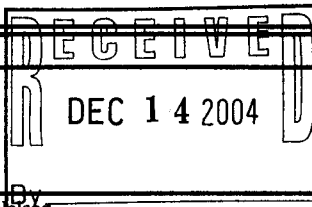
1. Type of Well
Oil ☐ Gas ☐
Well ☒ Well ☐ Other ☐

2. Name of Operator
QEP UINTA BASIN, INC.

Contact: Jan Nelson
Email: Jan.Nelson@questar.com

3. Address and Telephone No
11002 E. 17500 S. VERNAL, UT 84078-8526 (435) 781-4331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NENE, LOT 8, 1139'FNL 469'FEL, SECTION 4, T8S, R22E



12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>APD Extension</u>	<input type="checkbox"/> Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the OU GB 1MU-4-8-22.

COPIES OF APPROVAL ATTACHED

RECEIVED
JAN 11 2005

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Signed Jan Nelson Title Regulatory Affairs Analyst Date 12-10-04

(This space for Federal or State office use) Michael Lee
Approved by: Petroleum Engineer Title Petroleum Engineer Date JAN 04 2005

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

UDOGM

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35462
Well Name: OUGB 1W-4-8-22
Location: NENE, LOT 8, 1139' FNL 469' FEL, SEC. 4, T8S, R22
Company Permit Issued to: QEP UINTA BASIN INC.
Date Original Permit Issued: 5/21/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

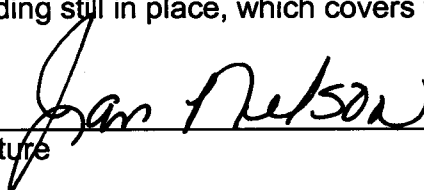
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Signature



12/10/2004

Date

Title: Regulatory Affairs Analyst

Representing: QEP UINTA BASIN INC.

**QEP Uinta Basin Inc.
APD Extension**

Well: OU GB 01W- 04-8-22

Location: NENE Sec. 04, T08S, R22E

Lease: UTU-02510A

Conditions of Approval

An extension for the referenced APD is granted with the following condition(s):

1. The extension will expire 05/21/06
2. No other extensions beyond that period will be granted or allowed.

If you have any other questions concerning this matter, please contact Michael Lee at (435) 781-4432.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER ☐

2. NAME OF OPERATOR:
QEP UINTA BASIN, INC

3. ADDRESS OF OPERATOR:
11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-4331

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1139' FNL 469' FEL LOT 8

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NE 4 8S 22E

COUNTY: UINTAH

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-02510A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
N/A

7. UNIT or CA AGREEMENT NAME:
WHITE RIVER

8. WELL NAME and NUMBER:
OU GB 1MU-4-8-22

9. API NUMBER:
4304735462

10. FIELD AND POOL, OR WILDCAT:
WHITE RIVER

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the OU GB 1MU-4-8-22.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 01-19-06
By: [Signature]

COPY SENT TO OPERATOR
Date: 1-24-06
Initials: [Signature]

NAME (PLEASE PRINT) Jan Nelson

TITLE Regulatory Affairs

SIGNATURE [Signature]

DATE 1/11/2006

(This space for State use only)

JAN 13 2006

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-35462
Well Name: OU GB 1MU-4-8-22
Location: LOT 8 1139' FNL 469' FEL NE SEC. 4, T8S, R22E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 2/11/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Jan Nelson
Signature

1/11/2006

Date

Title: REGULATORY AFFAIRS

Representing: QEP UINTA BASIN, INC.

RECEIVED

JAN 13 2006

ENCLOSURE

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02510A
2. NAME OF OPERATOR: QEP UINTA BASIN, INC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: WHITE RIVER UNIT
PHONE NUMBER: (435) 781-4331		8. WELL NAME and NUMBER: OU GB 1MU-4-8-22
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1139' FNL 469' FEL (LOT 8)		9. API NUMBER: 4304735462
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 4 8S 22E		10. FIELD AND POOL, OR WILDCAT: WHITE RIVER
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input checked="" type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP Uinta Basin, Inc., proposes to drill this well to the Mancos formation. The original TD was 11,900' the new proposed will be 16,700'. Please refer to attached drilling plan.

QEP Uinta Basin, Inc., proposes to change the well name from OU GB 1MU-4-8-22 to GB 1M-4-8-22.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-07-06

By: [Signature]

COPY SENT TO OPERATOR
Date: 10/2/06
Initials: DM

NAME (PLEASE PRINT) Jan Nelson

TITLE Regulatory Affairs

SIGNATURE [Signature]

DATE 8/23/2006

(This space for State use only)

RECEIVED

AUG 25 2006

CONFIDENTIAL

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. **Formation Tops**

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	3,260'
Wasatch	6,560'
Mesaverde	9,295'
Sego	11,650'
Castlegate	11,895'
Blackhawk	12,375'
Mancos Shale	12,775'
Mancos B	13,125'
Frontier	15,900'
TD	16,700'

2. **Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones**

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Wasatch	6,965'
Gas	Mesaverde	9,835'
Gas	Blackhawk	13,035'
Gas	Mancos Shale	13,475'
Gas	Mancos B	14,060'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will

DRILLING PROGRAM

be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right # A36125 (which was filed on May 7, 1964,) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

3. Operator's Specification for Pressure Control Equipment:

- A. 10,000 psi double gate, 10,000 psi single gate, 10,000 psi annular BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 10M system and individual components shall be operable as designed.

4. Casing Design:

Hole Size	Csg. Size	Top (MD)	Bottom (MD)	Wt.	Grade	Thread	Cond.
26"	20"	sfc	120'	Steel	Cond.	None	Used
14-3/4"	10-3/4"	sfc	4,500'	40.5	J-55	STC	New
9-7/8"	7-5/8"	sfc	10,400'	29.7	HCP-110	LTC	New
9-7/8"	7-5/8"	10,400'	12,000'	33.7	HCP-110	LTC	New
6-1/2"	4-1/2"	sfc	13,700'	15.1	P-110	LTC	New
6-1/2"	4-1/2"	13,700'	16,700'	15.1	Q-125	LTC	New

DRILLING PROGRAM

Casing Strengths:				Collapse	Burst	Tensile (minimum)
10-3/4"	40.5 lb.	J-55	STC	1,580 psi	3,130 psi	420,000 lb.
7-5/8"	29.7 lb.	HCP-110	LTC	7,150 psi	9,470 psi	769,000 lb.
7-5/8"	33.7 lb.	HCP-110	LTC	8,800 psi	10,860 psi	901,000 lb.
4-1/2"	15.1 lb.	P-110	LTC	14,350 psi	14,420 psi	406,000 lb.
4-1/2"	15.1 lb.	Q-125	LTC	15,840 psi	16,380 psi	438,000 lb.

MINIMUM DESIGN FACTORS:

COLLAPSE: 1.125

BURST: 1.10

TENSION: 1.80

Area Fracture Gradient: 0.9 psi/foot

Maximum anticipated mud weight: 15.4 ppg

Maximum surface treating pressure: 12,500 psi

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
If drilling with air the following will be used:
- F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').
- H. Compressor shall be tied directly to the blooie line through a manifold.

DRILLING PROGRAM

- I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 15.4 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. Testing, logging and coring program

- A. Cores – none anticipated
- B. DST – none anticipated
- C. Logging – Mud logging – 4500' to TD
GR-SP-Induction, Neutron Density, FMI
- D. Formation and Completion Interval: Mancos interval, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

7. Cementing Program

20" Conductor:

Cement to surface with construction cement.

10-3/4" Surface Casing: sfc - 4500' (MD)

Lead Slurry: 0' – 4,250'. 1620 sks (4765 cu ft) Rockies LT cement + 0.25 lb/sk Flocele. Slurry wt: 11.5 ppg, Slurry yield: 2.94 ft³/sk, Slurry volume: 14-3/4" hole + 100% excess.
Tail Slurry: 4,250' – 4,500'. 160 sks (320 cu ft) Rockies LT cement + 0.25 lb/sk Flocele. Slurry wt: 13.0 ppg, Slurry yield: 1.99 ft³/sk, Slurry volume: 14-3/4" hole + 100% excess.

DRILLING PROGRAM

7-5/8" Intermediate Casing: sfc - 12,000' (MD)

Foamed Lead Slurry 1: 0' – 6,000'. 780 sks (1535 cu ft) 50/50 Poz Premium + 5 lb/sk silicalite compacted light weight additive + 20% SSA-1 additive + 0.3% FDP-C766-05 fluid loss + 0.2% Versaset thixotropic additive + 1.5% Zonesealant 2000 foamer. Slurry wt: 14.3 ppg, foamed 11.0 ppg, Slurry yield: 1.48 ft³/sk, Slurry yield foamed: 1.98 ft³/sk, Slurry volume: 9-7/8" hole + 50% excess in open hole section.

Foamed Lead Slurry 2: 6,000' – 11,500'. 905 sks (1775 cu ft) 50/50 Poz Premium + 5 lb/sk silicalite compacted light weight additive + 20% SSA-1 additive + 0.3% FDP-C766-05 fluid loss + 0.2% Versaset thixotropic additive + 1.5% Zonesealant 2000 foamer. Slurry wt: 14.3 ppg, foamed 11.5 ppg, Slurry yield: 1.48 ft³/sk, Slurry yield foamed: 1.96 ft³/sk, Slurry volume: 9-7/8" hole + 50% excess.

Tail Slurry: 11,500' – 12,000'. 120 sks (175 cu ft) of 50/50 Poz Premium + 5 lb/sk silicalite compacted light weight additive + 20% SSA-1 additive + 0.3% FDP-C766-05 fluid loss + 0.2% Versaset thixotropic additive. Slurry wt: 14.3 ppg, Slurry yield: 1.48 ft³/sk, Slurry volume: 9-7/8" hole + 50% excess.

Top Out Cement: 75 sks (117 cu ft) Premium cement + 10 lb/sk gilsonite + 12% Cal-Seal 60 + 3% CaCl₂.

4-1/2" Production Casing: sfc - 16,700' (MD)

Lead/Tail Slurry: 6,500 - 16,700'. 995 sks (1630 cu ft) Premium Cement + 0.5% HR-12 retarder + 35% SSA-1 + 0.2% Suspend HT + 0.4% Halad(R)-344 fluid loss + 0.3% Halad(R)-413 fluid loss + 0.4% Super CBL gas migration + 0.2% HR-25 retarder. Slurry wt: 15.25 ppg, Slurry yield: 1.64 ft³/sk, Slurry volume: 6-1/2" hole + 25% in open hole section.

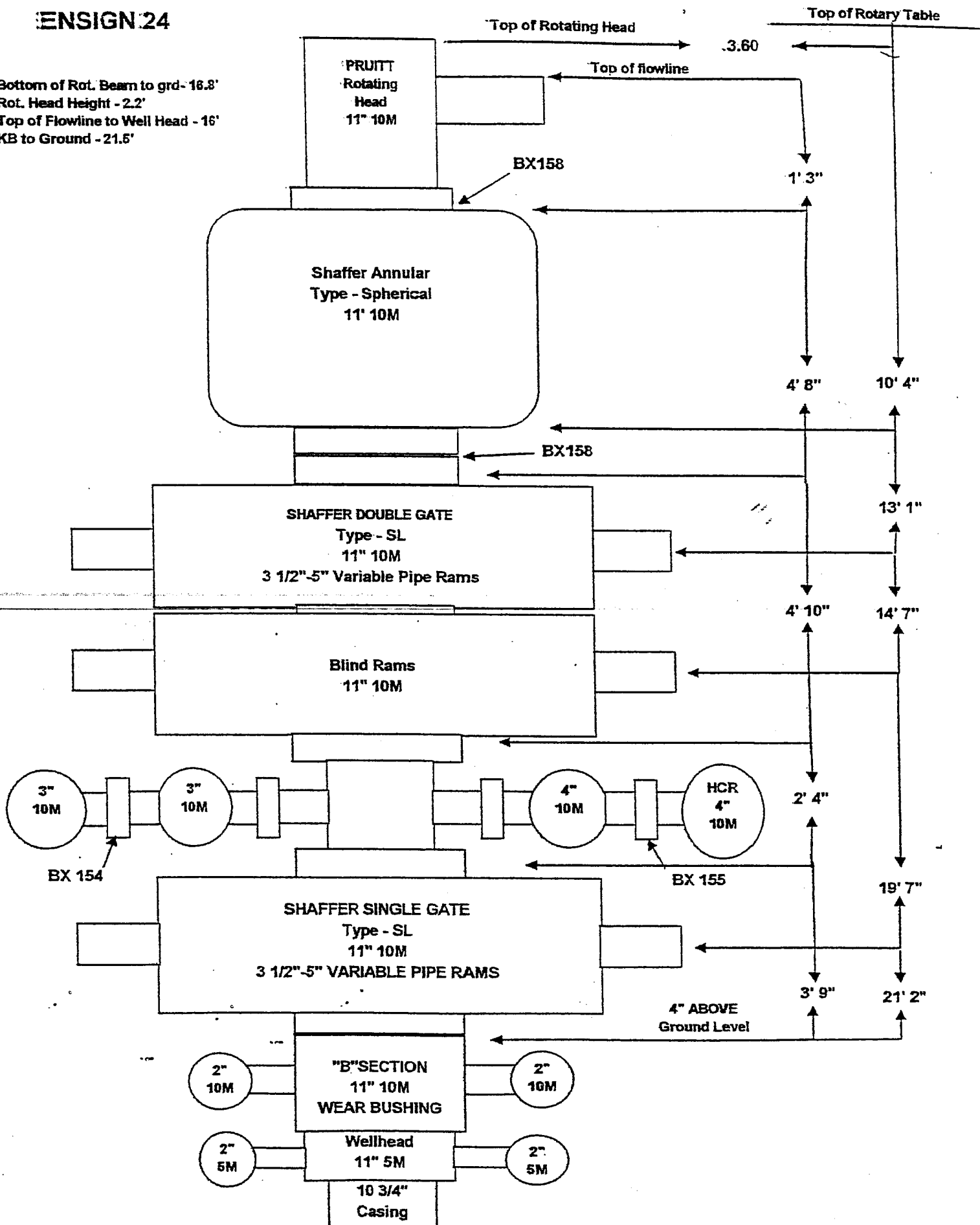
*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface on the intermediate string and 5,000' on the production string. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

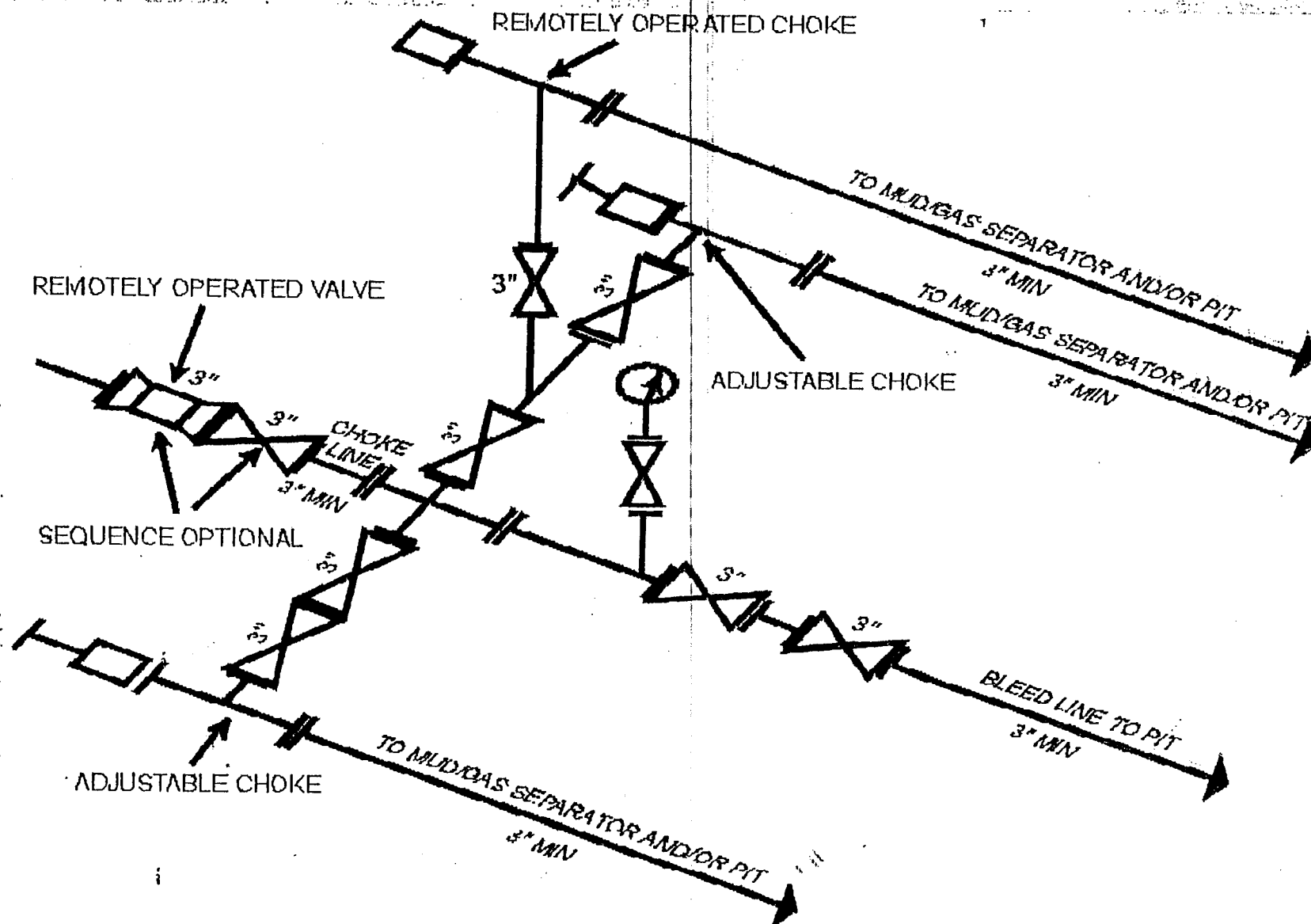
No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 13,400 psi. Maximum anticipated bottom hole temperature is 320° F.

ENSIGN 24

Bottom of Rot. Beam to grd- 16.8'
 Rot. Head Height - 2.2'
 Top of Flowline to Well Head - 16'
 KB to Ground - 21.5'



Attachment I. Diagrams of Choke Manifold Equipment



I-4 10M and 15M Choke Manifold Equipment -- Configuration of chokes may vary

[54 FR 39528, Sept. 27, 1989]

Last Updated March 23, 1997 by John Broderick

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

5. Lease Serial No.

UTU-02510A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.

WHITE RIVER UNIT

8. Well Name and No.

GB 1M-4-8-22

9. API Well No.

43-047-35462

10. Field and Pool, or Exploratory Area

WHITE RIVER

11. County or Parish, State

Uintah

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

QEP Uinta Basin, Inc.

Contact: Jim Davidson

3a. Address

11002 East 17500 South, Vernal, UT 84078

3b. Phone No. (include area code)

303-308-3090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1139' FNL, 469' FEL, (LOT 8) SWSE, Section 4, T8S, R22E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☒ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other _____

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

QEP Uinta Basin, Inc. proposes to modify the casing and cementing program, from what was originally approved in order to better protect against potential lost circulation zones. Please refer to attached revised 8-Point drilling plan.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Laura Bills

Title

Regulatory Assistant

Signature

Laura Bills

Date

November 16, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

RECEIVED

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NOV 20 2006

(Instructions on reverse)

DIV OF OIL, GAS & MINING

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. **Formation Tops**

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	3,260'
Wasatch	6,560'
Mesaverde	9,295'
Sego	11,650'
Castlegate	11,895'
Blackhawk	12,375'
Mancos Shale	12,775'
Mancos B	13,125'
Frontier	15,900'
TD	16,700'

2. **Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones**

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Wasatch	6,965'
Gas	Mesaverde	9,835'
Gas	Blackhawk	13,035'
Gas	Mancos Shale	13,475'
Gas	Mancos B	14,060'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

DRILLING PROGRAM

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right # A36125 (which was filed on May 7, 1964,) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

3. **Operator's Specification for Pressure Control Equipment:**

- A. 10,000 psi double gate, 10,000 psi single gate, 10,000 psi annular BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 10M system and individual components shall be operable as designed.

4. **Casing Design:**

Hole Size	Csg. Size	Top (MD)	Bottom (MD)	Wt.	Grade	Thread	Cond.
26"	20"	sfc	120'	Steel	Cond.	None	Used
12-1/4"	9-5/8"	sfc	6500'	47	N-80	LTC	New
8-1/2"	7"	sfc	9000'	26	HCP-110	LTC	New
8-1/2"	7"	9000'	12,000'	29*	HCP-110	LTC	New

DRILLING PROGRAM

				SDrift			
6-1/8"	4-1/2"	sfc	13,700'	15.1	P-110	LTC	New
6-1/8"	4-1/2"	13,700'	16,700'	15.1	Q-125	LTC	New

Casing Strengths:				Collapse	Burst	Tensile (minimum)
9-5/8"	47 lb.	N-80	LTC	4,760 psi	6,870 psi	905,000 lb.
7"	26 lb.	HCP-110	LTC	7,800 psi	9,950 psi	693,000 lb.
7"	29 lb.*	HCP-110	LTC	9,200 psi	11,220 psi	797,000 lb.
4-1/2"	15.1 lb.	P-110	LTC	14,350 psi	14,420 psi	406,000 lb.
4-1/2"	15.1 lb.	Q-125	LTC	15,840 psi	16,380 psi	438,000 lb.

*** Special Drift**

MINIMUM DESIGN FACTORS:

COLLAPSE: 1.125

BURST: 1.10

TENSION: 1.80

Area Fracture Gradient: 0.9 psi/foot

Maximum anticipated mud weight: 15.4 ppg

Maximum surface treating pressure: 12,500 psi

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
If drilling with air the following will be used:
- F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.

DRILLING PROGRAM

- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').
- H. Compressor shall be tied directly to the blooie line through a manifold.
- I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 15.4 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. **Testing, logging and coring program**

- A. Cores – none anticipated
- B. DST – none anticipated
- C. Logging – Mud logging – 4500' to TD
GR-SP-Induction, Neutron Density, FMI
- D. Formation and Completion Interval: Mancos interval, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

7. **Cementing Program**

20" Conductor:

Cement to surface with construction cement.

DRILLING PROGRAM

9-5/8" Surface Casing: sfc - 6500' (MD)

Lead Slurry: 0' – 4,250'. 1332 sks (3915 cu ft) Rockies LT cement + 0.25 lb/sk Flocele. Slurry wt: 11.5 ppg, Slurry yield: 2.94 ft³/sk, Slurry volume: 12-1/4" hole + 100% excess.
Tail Slurry: 6,250' – 6,500'. 80 sks (157 cu ft) Rockies LT cement + 0.25 lb/sk Flocele. Slurry wt: 13.0 ppg, Slurry yield: 1.99 ft³/sk, Slurry volume: 12-1/4" hole + 100% excess.

7" Intermediate Casing: sfc - 12,000' (MD)

Foamed Lead Slurry 1: 0' – 6,000'. 580 sks (1141 cu ft) 50/50 Poz Premium + 5 lb/sk silicalite compacted light weight additive + 20% SSA-1 additive + 0.3% FDP-C766-05 fluid loss + 0.2% Versaset thixotropic additive + 1.5% Zonesealant 2000 foamer. Slurry wt: 14.3 ppg, foamed 11.0 ppg, Slurry yield: 1.48 ft³/sk, Slurry yield foamed: 1.98 ft³/sk, Slurry volume: 8-1/2" hole + 50% excess in open hole section.

Foamed Lead Slurry 2: 6,000' – 11,500'. 540 sks (1046 cu ft) 50/50 Poz Premium + 5 lb/sk silicalite compacted light weight additive + 20% SSA-1 additive + 0.3% FDP-C766-05 fluid loss + 0.2% Versaset thixotropic additive + 1.5% Zonesealant 2000 foamer. Slurry wt: 14.3 ppg, foamed 11.5 ppg, Slurry yield: 1.48 ft³/sk, Slurry yield foamed: 1.96 ft³/sk, Slurry volume: 8-1/2" hole + 50% excess.

Tail Slurry: 11,500' – 12,000'. 42 sks (70cu ft) of 50/50 Poz Premium + 5 lb/sk silicalite compacted light weight additive + 20% SSA-1 additive + 0.3% FDP-C766-05 fluid loss + 0.2% Versaset thixotropic additive. Slurry wt: 14.3 ppg, Slurry yield: 1.48 ft³/sk, Slurry volume: 8-1/2" hole + 50% excess.

Top Out Cement: 75 sks (117 cu ft) Premium cement + 10 lb/sk gilsonite + 12% Cal-Seal 60 + 3% CaCl₂.

4-1/2" Production Casing: sfc - 16,700' (MD)

Lead/Tail Slurry: 6,500 - 16,700'. 995 sks (1630 cu ft) Premium Cement + 0.5% HR-12 retarder + 35% SSA-1 + 0.2% Suspend HT + 0.4% Halad(R)-344 fluid loss + 0.3% Halad(R)-413 fluid loss + 0.4% Super CBL gas migration + 0.2% HR-25 retarder. Slurry wt: 15.25 ppg, Slurry yield: 1.64 ft³/sk, Slurry volume: 6-1/8" hole + 25% in open hole section.

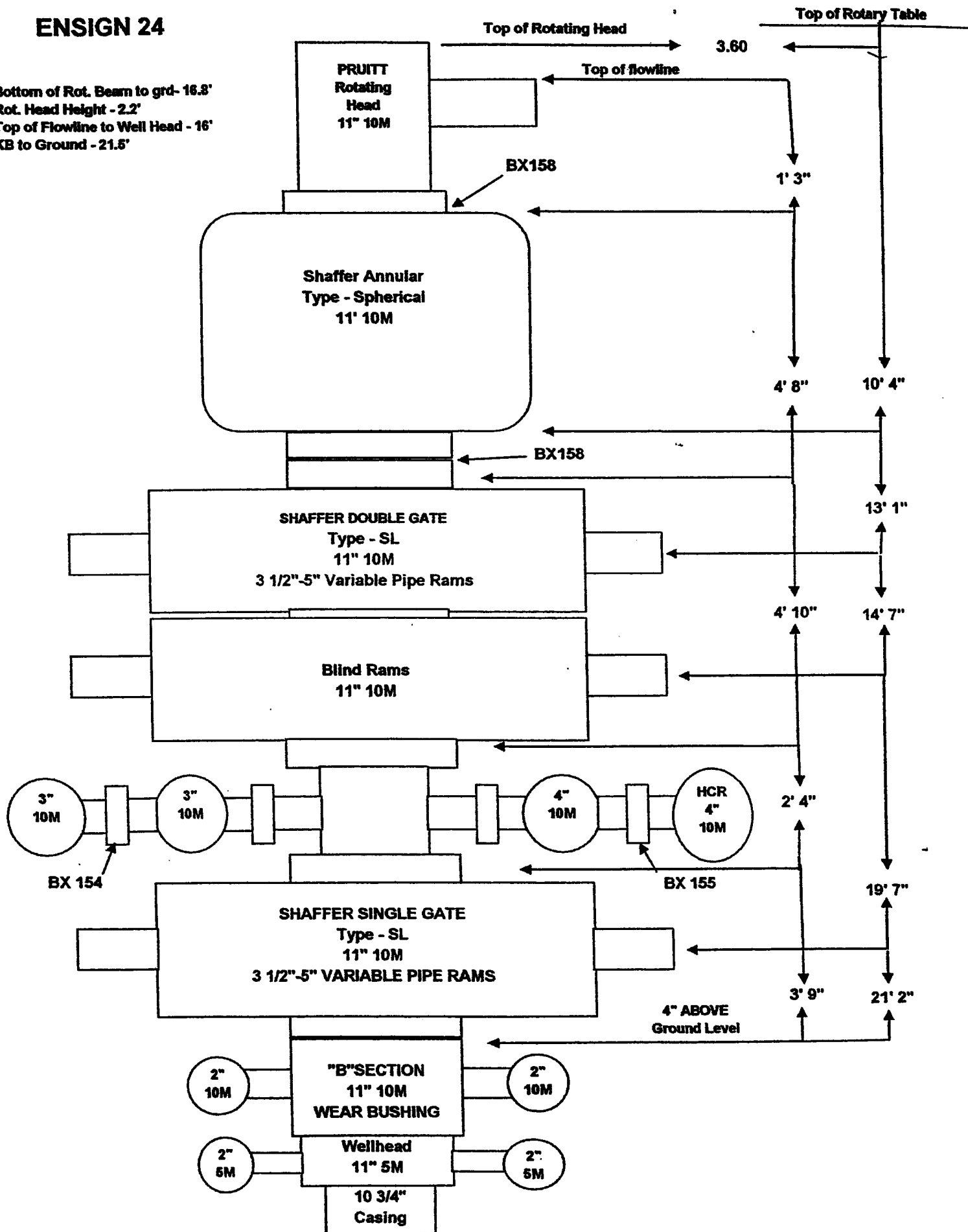
*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface on the intermediate string and 5,000' on the production string. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

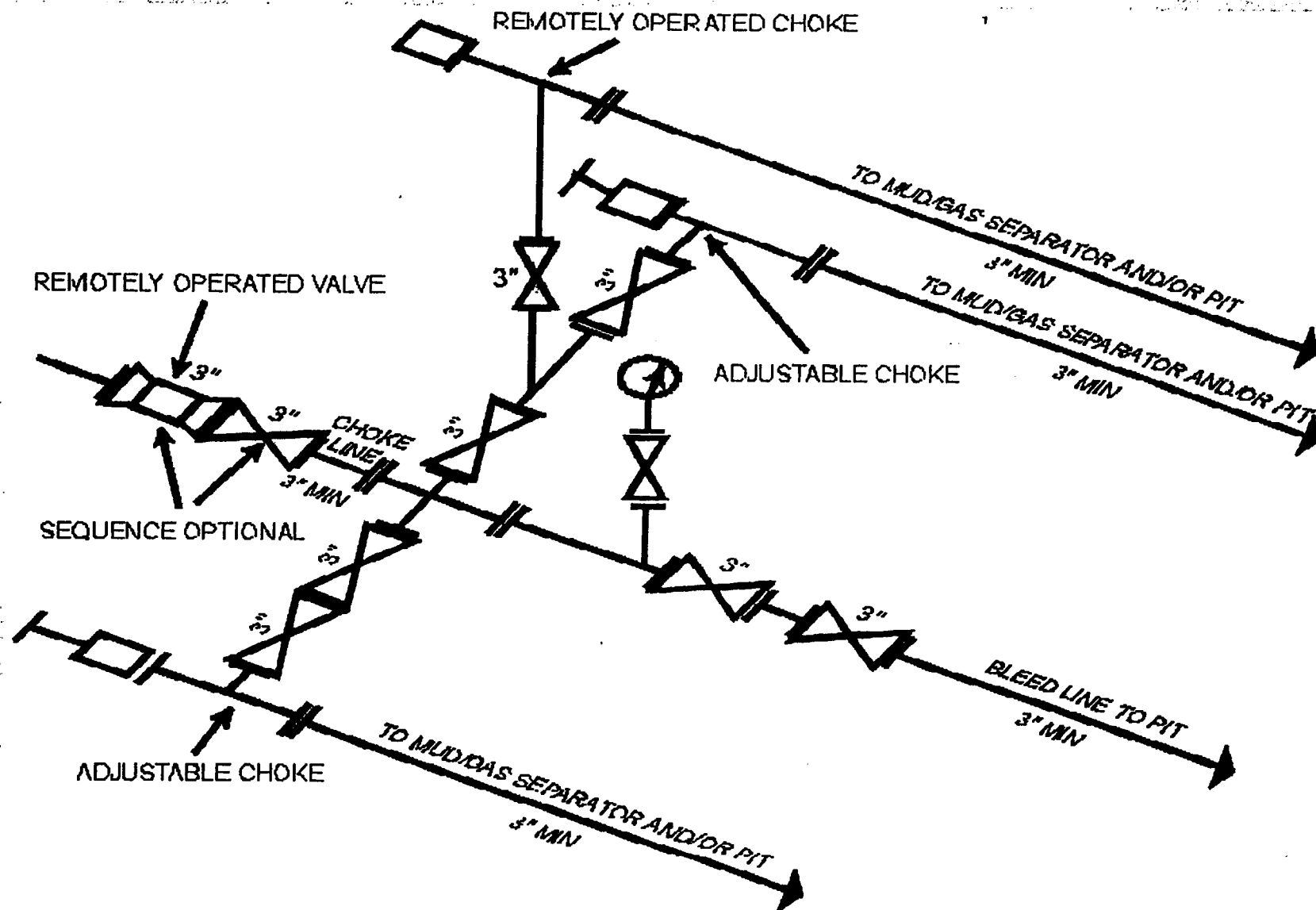
No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 13,400 psi. Maximum anticipated bottom hole temperature is 320° F.

ENSIGN 24

Bottom of Rot. Beam to grd- 16.8'
 Rot. Head Height - 2.2'
 Top of Flowline to Well Head - 16'
 KB to Ground - 21.5'



Attachment I. Diagrams of Choke Manifold Equipment



I-4 10M and 15M Choke Manifold Equipment -- Configuration of chokes may vary

[54 FR 39328, Sept. 27, 1989]

Last Updated March 25, 1997 by John Broderick

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

5. Lease Serial No.

UTU-02510A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.

WHITE RIVER UNIT

8. Well Name and No.

GB 1M-4-8-22

9. API Well No.

43-047-35462

10. Field and Pool, or Exploratory Area

WHITE RIVER

11. County or Parish, State

Uintah

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

QEP Uinta Basin, Inc.

Contact: Jim Davidson

3a. Address

11002 East 17500 South, Vernal, UT 84078

3b. Phone No. (include area code)

303-308-3090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1139' FNL, 469' FEL, (LOT 8) Section 4, T8S, R22E

CONFIDENTIAL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☒ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other _____

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

QEP Uinta Basin, Inc. proposes to modify the casing, cementing program and BOP from what was originally approved. In order to better protect against potential lost circulation and due to the limited height of the rig substructure 2 BOP's need to be used. Please refer to revised 8-point plan, cement and BOP.

PLEASE REPLACE THE SUNDRY FILED ON NOVEMBER 16, 2006 WITH THIS ONE.

COPY SENT TO OPERATOR

Date: 12/15/07
Initials: CHP

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Jan Nelson

Signature

Title

Regulatory Affaris

Date

December 4, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Accepted by the
Utah Division of
Oil, Gas and Mining

Federal

Approval Of This
Action Is Necessary

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department, agency, or any State any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

By:

DEC 07 2006

(Instructions on reverse)

CONFIDENTIAL

DIV. OF OIL, GAS & MINING

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. **Formation Tops**

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	3,260'
Wasatch	6,560'
Mesaverde	9,295'
Sego	11,650'
Castlegate	11,895'
Blackhawk	12,375'
Mancos Shale	12,775'
Mancos B	13,125'
Frontier	15,900'
TD	16,700'

2. **Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones**

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Wasatch	6,965'
Gas	Mesaverde	9,835'
Gas	Blackhawk	13,035'
Gas	Mancos Shale	13,475'
Gas	Mancos B	14,060'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will

DRILLING PROGRAM

be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right # A36125 (which was filed on May 7, 1964,) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

3. **Operator's Specification for Pressure Control Equipment:**

- A. 13-5/8" 5000 psi double gate, 5,000 psi annular BOP (schematic included) from surface hole to 9-5/8" casing point.
- B. 11" 10,000 psi double gate, 10,000 psi single gate, 10,000 psi annular BOP (schematic included) from 9-5/8" casing point to total depth.
- C. Functional test daily
- D. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- E. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 10M system and individual components shall be operable as designed.

4. **Casing Design:**

Hole Size	Csg. Size	Top (MD)	Bottom (MD)	Wt.	Grade	Thread	Cond.
26"	20"	sfc	40-60'	Steel	Cond.	None	Used
17-1/2"	13-3/8	sfc	500'	54.5	K-55	STC	New
12-1/4"	9-5/8"	sfc	6700'	47	HCP-110	LTC	New

DRILLING PROGRAM

8-1/2"	7"	6000'	9000'	26	HCP-110	LTC	New
8-1/2"	7"	9000'	12,000'	29* SDrift	HCP-110	LTC	New
6-1/8"	4-1/2"	sfc	13,700'	15.1	P-110	LTC	New
6-1/8"	4-1/2"	13,700'	16,700'	15.1	Q-125	LTC	New

Casing Strengths:				Collapse	Burst	Tensile (minimum)
13-3/8"	54.5 lb.	K-55	STC	1,130 psi	2,730 psi	547,000 lb.
9-5/8"	47 lb.	HCP-110	LTC	7,100 psi	9,440 psi	1,213,000 lb.
7"	26 lb.	HCP-110	LTC	7,800 psi	9,950 psi	693,000 lb.
7"	29 lb.*	HCP-110	LTC	9,200 psi	11,220 psi	797,000 lb.
4-1/2"	15.1 lb.	P-110	LTC	14,350 psi	14,420 psi	406,000 lb.
4-1/2"	15.1 lb.	Q-125	LTC	15,840 psi	16,380 psi	438,000 lb.

* Special Drift

MINIMUM DESIGN FACTORS:

COLLAPSE: 1.125

BURST: 1.10

TENSION: 1.80

Area Fracture Gradient: 0.9 psi/foot

Maximum anticipated mud weight: 15.4 ppg

Maximum surface treating pressure: 12,500 psi

5. **Auxiliary Equipment**

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes

DRILLING PROGRAM

- E. Rotating Head – yes
If drilling with air the following will be used:
- F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').
- H. Compressor shall be tied directly to the blooie line through a manifold.
- I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 15.4 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. **Testing, logging and coring program**

- A. Cores – none anticipated
- B. DST – none anticipated
- C. Logging – Mud logging – 4500' to TD
GR-SP-Induction, Neutron Density, FMI
- D. Formation and Completion Interval: Mancos interval, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

7. **Cementing Program**

20" Conductor:

Cement to surface with construction cement.

DRILLING PROGRAM

13-3/8" Surface Casing: sfc – 500' (MD)

Slurry: 0' – 500'. 610 sxs (731 cu ft) Premium cement + 0.25 lbs/sk Flocele + 2% CaCl₂
Slurry wt: 15.6 ppg, slurry yield: 1.20 ft³/sx, slurry volume: 17-1/2" hole + 100% excess.

9-5/8" Intermediate Casing: sfc - 6700' (MD)

Lead Slurry: 0' – 6,450'. 1374 sks (4040 cu ft) Rockies LT cement + 0.25 lb/sk Flocele.
Slurry wt: 11.5 ppg, Slurry yield: 2.94 ft³/sk, Slurry volume: 12-1/4" hole + 100% excess.

Tail Slurry: 6,450' – 6,700'. 80 sks (157 cu ft) Rockies LT cement + 0.25 lb/sk Flocele.
Slurry wt: 13.0 ppg, Slurry yield: 1.99 ft³/sk, Slurry volume: 12-1/4" hole + 100% excess.

7" Intermediate Casing: 6000 - 12,000' (MD)

Foamed Lead Slurry 2: 6,000' – 11,500'. 540 sks (1046 cu ft) 50/50 Poz Premium + 5 lb/sk silicalite compacted light weight additive + 20% SSA-1 additive + 0.3% FDP-C766-05 fluid loss + 0.2% Versaset thixotropic additive + 1.5% Zonesalant 2000 foamer.
Slurry wt: 14.3 ppg, foamed 11.5 ppg, Slurry yield: 1.48 ft³/sk, Slurry yield foamed: 1.96 ft³/sk, Slurry volume: 8-1/2" hole + 50% excess.

Tail Slurry: 11,500' – 12,000'. 42 sks (70cu ft) of 50/50 Poz Premium + 5 lb/sk silicalite compacted light weight additive + 20% SSA-1 additive + 0.3% FDP-C766-05 fluid loss + 0.2% Versaset thixotropic additive. Slurry wt: 14.3 ppg, Slurry yield: 1.48 ft³/sk, Slurry volume: 8-1/2" hole + 50% excess.

Top Out Cement: 75 sks (117 cu ft) Premium cement + 10 lb/sk gilsonite + 12% Cal-Seal 60 + 3% CaCl₂.

4-1/2" Production Casing: sfc - 16,700' (MD)

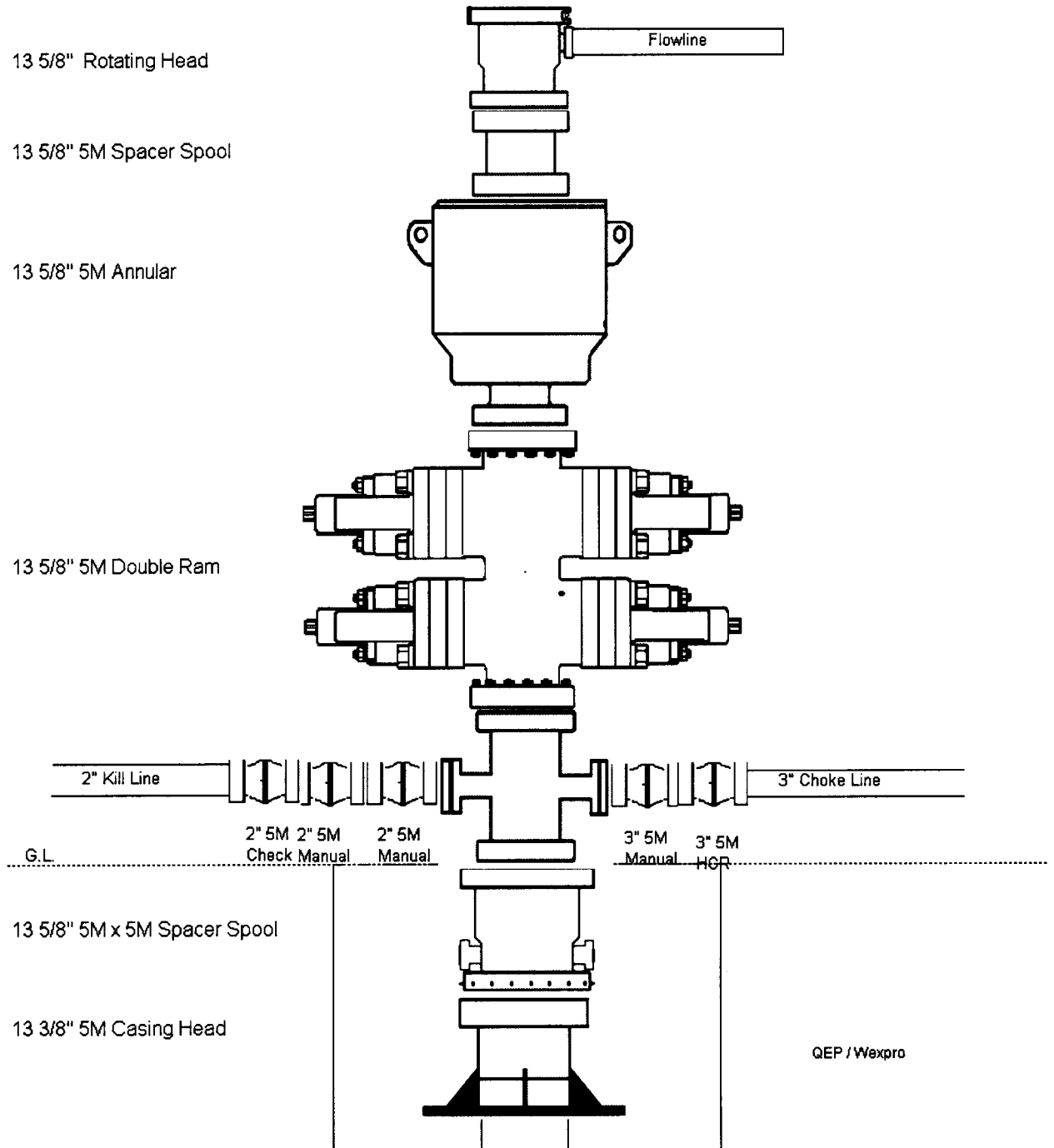
Lead/Tail Slurry: 6,500 - 16,700'. 995 sks (1630 cu ft) Premium Cement + 0.5% HR-12 retarder + 35% SSA-1 + 0.2% Suspend HT + 0.4% Halad(R)-344 fluid loss + 0.3% Halad(R)-413 fluid loss + 0.4% Super CBL gas migration + 0.2% HR-25 retarder. Slurry wt: 15.25 ppg, Slurry yield: 1.64 ft³/sk, Slurry volume: 6-1/8" hole + 25% in open hole section.

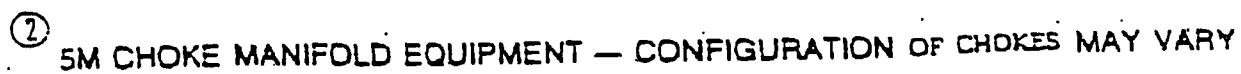
*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface on the intermediate string and 5,000' on the production string. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 13,400 psi. Maximum anticipated bottom hole temperature is 320° F.

DRILLING PROGRAM



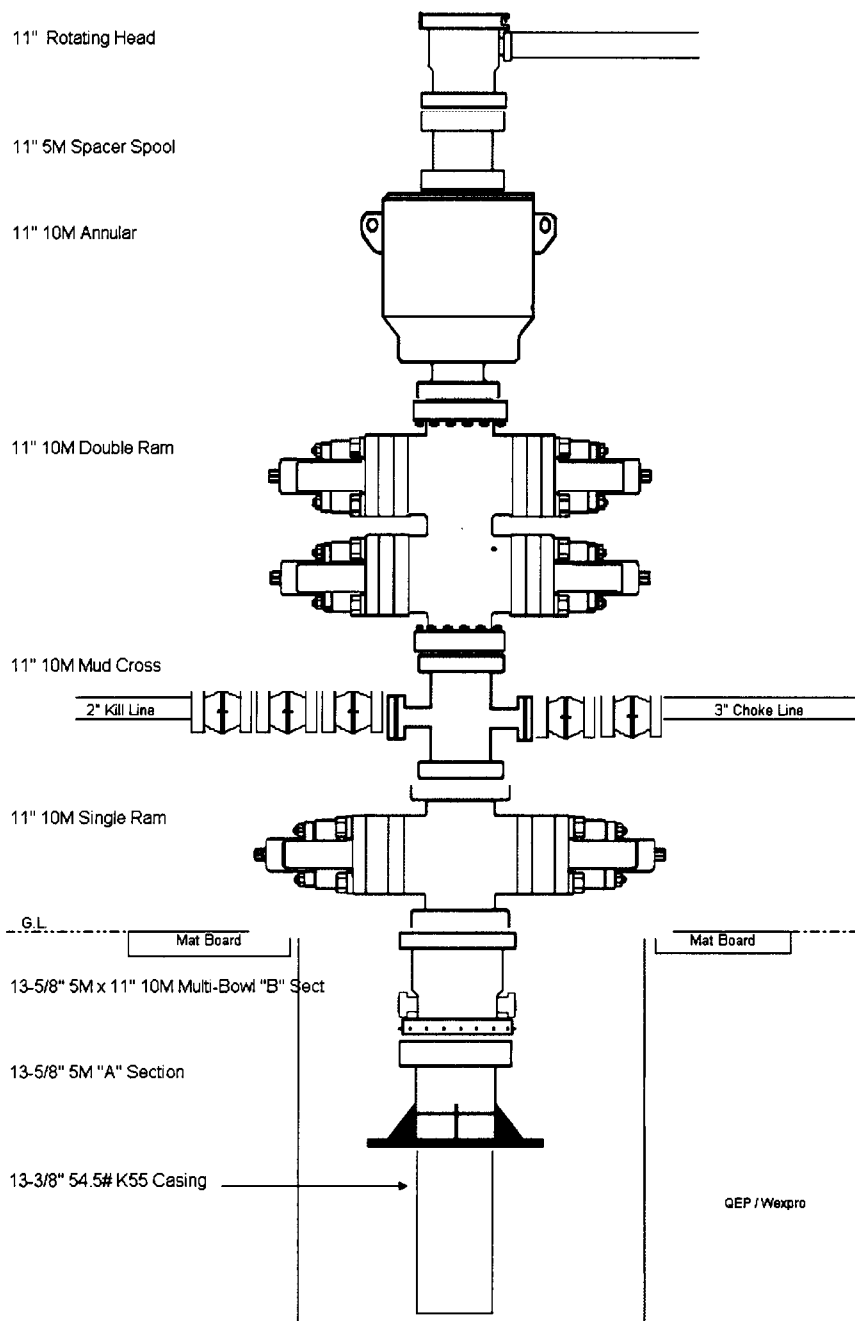


DRILLING PROGRAM

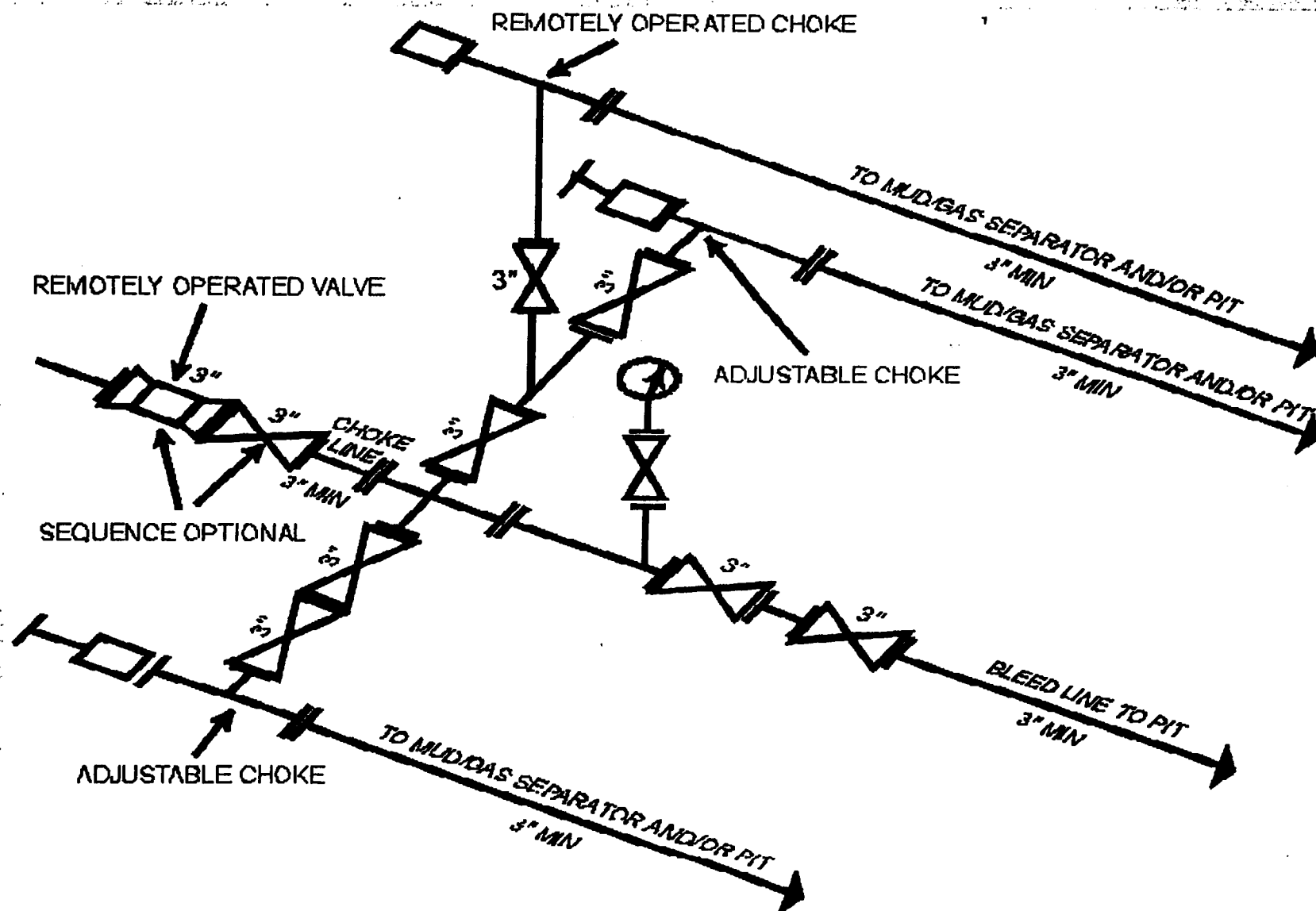
Purpose:

The stack arrangement with the 7" liner hanger allows an 11" stack to fit in the sub of Ensign 24 and True 32. This arrangement requires using a 5000 psi 13-5/8" double gate stack until the 9-5/8" is set. After the 9-5/8" casing is set, a spacer spool is nipped down and an 13-5/8" 5000 psi x 13-5/8" 10,000 psi "B" section is nipped up. The 11" 10K stack is nipped up on top of the "B" section.

BOP Requirements:



Attachment I Diagrams of Choke Manifold Equipment

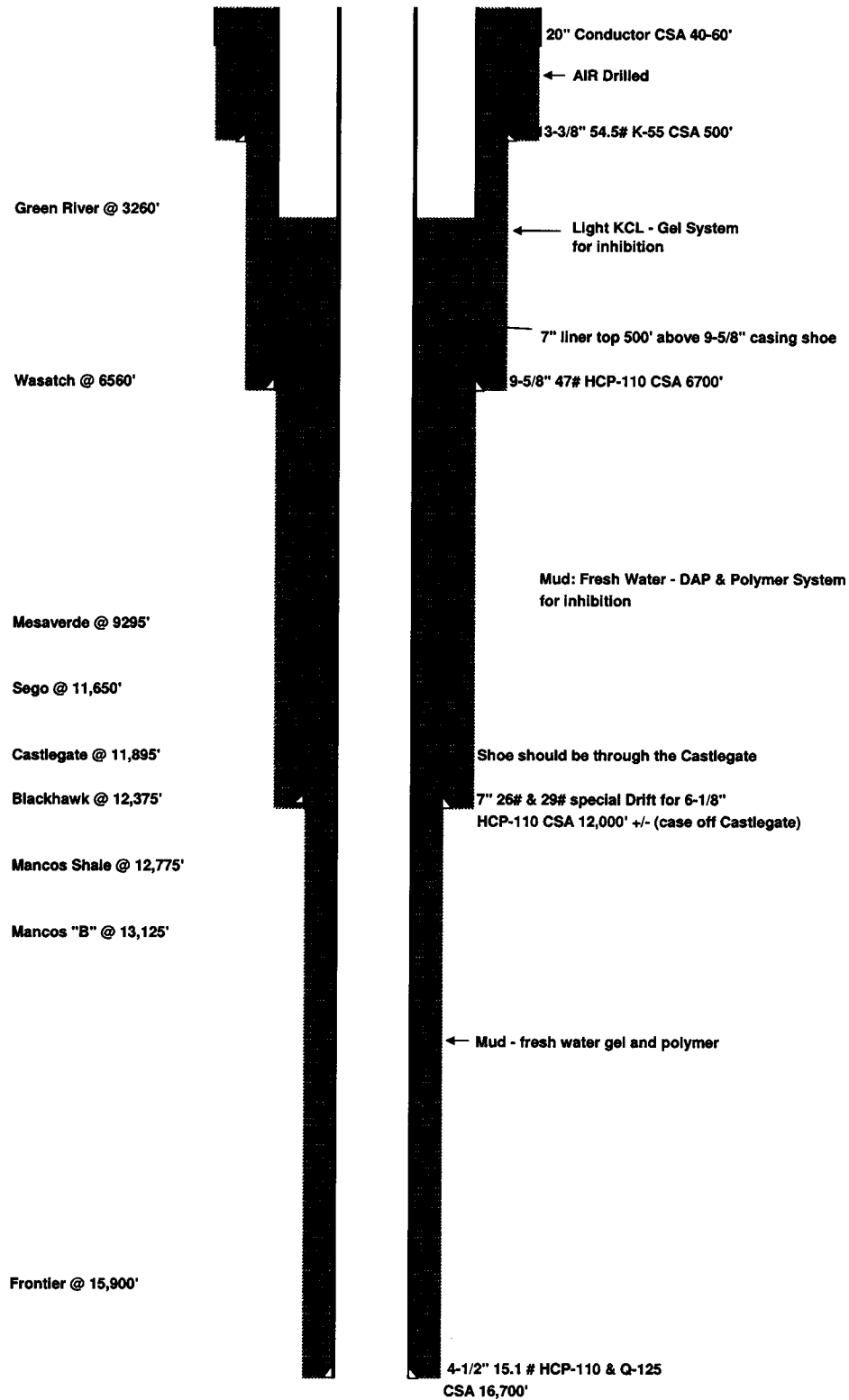


I-4 10M and 15M Choke Manifold Equipment -- Configuration of chokes may vary

[54 FR 39528, Sept. 27, 1989]

Updated March 25, 1997 by John Broderick

GB 1M-4-8-22



State of Utah
Division of Oil, Gas and Mining

ENTITY ACTION FORM - FORM 6

OPERATOR: QEP Uinta Basin, Inc.
ADDRESS: 11002 East 17500 South
Vernal, Utah 84078-8526

OPERATOR ACCT. No. N-2460

(435)781-4300

Action Code	Current Entity No.	New Entity No.	API Number	Well Name	QQ	SC	TP	RG	County	Spud Date	Effective Date
A	99999	15879	43-047-35462	GB 1M 4 8 22	NENE	4	8S	22E	Uintah	1/01/07	1/11/07

WELL 1 COMMENTS: mVRD

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WELL 2 COMMENTS:

WELL 3 COMMENTS:

RECEIVED

JAN 08 2007

DIV. OF OIL, GAS & MINING

WELL 4 COMMENTS:

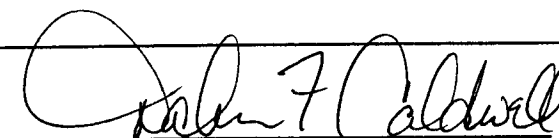
WELL 5 COMMENTS:

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected

(3/89)


Signature

Office Administrator II
Title

1/4/07
Date

Phone No. (435)781-4342

CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil

Gas

☐

Well

☒

Well

☐

Other

CONFIDENTIAL

2. Name of Operator

QEP, UINTA BASIN, INC.

3. Address and Telephone No.

11002 E. 17500 S. VERNAL, UT 84078-8526

Contact: Dahn.Caldwell@questar.com

435-781-4342 Fax 435-781-4357

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1139' FNL, 469' FEL (LOT 8), SEC 4-T8S-R22E, NENE

5. Lease Designation and Serial No.

UTU-02510A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

WHITE RIVER UNIT

8. Well Name and No.

GB 1M 4 8 22

9. API Well No.

43-047-35462

10. Field and Pool, or Exploratory Area

WHITE RIVER

11. County or Parish, State

UINTAH

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐

Notice of Intent

☒

Subsequent Report

☐

Final Abandonment Notice

TYPE OF ACTION

☐

Abandonment

☐

Recompletion

☐

Plugging Back

☐

Casing Repair

☐

Altering Casing

☒

Other SPUD

☐

Change of Plans

☐

New Construction

☐

Non-Routine Fracturing

☐

Water Shut-Off

☐

Conversion to Injection

☐

Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

On 1/01/07 - Drilled 60' of 26" conductor hole. Set 60' of 20" conductor pipe. Cmted w/ Ready Mix.

3 - BLM, 2- Utah OG&M, 1 - Denver, 1 - file Word file-server

14. I hereby certify that the foregoing is true and correct.

Signed

Dahn F. Caldwell

Office Administrator II

Date

1/4/07

(This space for Federal or State office use)

Approved by:

Title

Date

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONFIDENTIAL

[illegible]

28b Production- Interval C									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil Bbl	Gas MCF	Water Bbl	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Thg. Press Flow SI	Csg. Press	24 Hr. Rate →	Oil Bbl	Gas MCF	Water Bbl	Gas-Oil Ratio	Well Status	
28c Production- Interval D									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil Bbl	Gas MCF	Water Bbl	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Thg. Press Flow SI	Csg. Press	24 Hr. Rate →	Oil Bbl	Gas MCF	Water Bbl	Gas-Oil Ratio	Well Status	
29 Disposition of Gas (Sold, used for fuel, vented, etc.)									
30 Summary of Porous Zones (include Aquifers) Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.						31 Formation (Log) Markers			
Formation	Top	Bottom	Descriptions Contents, Etc			Name	Top Measured Depth		
32 Additional remarks (include plugging procedure): Developed hole in surface casing. P&A'd this wellbore; will skid rig on location.									
33 Indicate which items have been attached by placing a check in the appropriate boxes. <input type="checkbox"/> Electrical-Mechanical Logs (1 full set required) <input type="checkbox"/> Geologic Report <input type="checkbox"/> DST Report <input type="checkbox"/> Directional Survey <input type="checkbox"/> Sundry Notice for plugging and cement verification <input type="checkbox"/> Core Analysis <input type="checkbox"/> Other									

34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Debra K. Stanberry

Title Supervisor, Regulatory Affairs

Signature 

Date 22-Jan-07

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.*

SUBMIT IN TRIPLICATE - Other Instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
QEP UINTA BASIN, INC.

3a. Address
1571 E 1700 S
VERNAL UT 84078

3b. Phone No. (include area code)
303-308-3068

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Lat. 40.157617
Lot 8 1139 469' 4 T8S R22E Long. 109.437219
FNL FEL

5. Lease Serial No.
UTU 02510A

6. If Indian, Allottee, or Tribe Name
n/a

7. If Unit or CA. Agreement Name and/or No.
White River Unit

8. Well Name and No.
GB 1M-4-8-22

9. API Well No.
43-047-35462

10. Field and Pool, or Exploratory Area
White River

11. County or Parish, State
UINTAH UTAH

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

THIS SUNDRY IS BEING SUBMITTED TO DOCUMENT A TELEPHONE CONVERSATION OF JANUARY 21, 2007 BETWEEN JIM ASHLEY OF YOUR OFFICE AND JIM DAVIDSON, CHIEF DRILLING ENGINEER FOR QUESTAR. QUESTAR SPUD THIS WELL 1/5/07. QUESTAR FINISHED DRILLING THE SURFACE HOLE AND HAD SET SURFACE PIPE WHEN A HOLE DEVELOPED IN THE SURFACE CASING. THIS WILL NECESSITATE MOVING THE SURFACE HOLE FOR THIS WELL APPROXIMATELY 10-15 FEET SOUTH/SOUTHWEST OF THE CURRENT LOCATION AND REDRILLING THE WELL.

THE 13-3/8", 54.5#, K-55 SURFACE CASING WAS CEMENTED WITH 400 SACKS NEAT CLASS "G" CEMENT SET AT 529' BACK TO SURFACE.

Please contact Debbie Stanberry at 303-308-3068 with questions or if you need additional information.

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JAN 24 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Debra K. Stanberry

Title

Supervisor, Regulatory Affairs

Signature

Date

January 22, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SUBMIT IN TRIPLICATE

AUG 21 2006

FORM APPROVED
OMB NO. 1040-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-02510A	
TYPE OF WELL <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
OIL WELL GAS WELL OTHER		7. UNIT AGREEMENT NAME WHITE RIVER UNIT	
2. NAME OF OPERATOR QEP UINTA BASIN, INC.		8. FARM OR LEASE NAME, WELL NO. GB 1M-4-8-22	
3. ADDRESS 11002 E. 17500 S. Vernal, Ut 84078		9. API NUMBER: 43-047-35462	
Contact: Jan Nelson E-Mail: jan.nelson@questar.com		10. FIELD AND POOL, OR WILDCAT WHITE RIVER	
Telephone number Phone 435-781-4331 Fax 435-781-4323		11. SEC., T, R, M, OR BLK & SURVEY OR AREA SEC. 4, T8S, R22E Mer SLB	
4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements*) At Surface 1139' FNL 469' FEL (LOT 8) SECTION 4, T8S, R22E At proposed production zone		12. COUNTY OR PARISH Uintah	
14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE* 34 + / - SOUTHEAST OF VERNAL, UTAH		13. STATE UT	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (also to nearest drig, unit line if any) 469' + / -		17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
18. DISTANCE FROM PROPOSED location to nearest well, drilling, completed, applied for, on this lease, ft 1500' +/-		20. BLM/BIA Bond No. on file ESB000024	
21. ELEVATIONS (Show whether DF, RT, GR, ect.) 5168.3' GR		22. DATE WORK WILL START ASAP	
23. Estimated duration 75 days		24. Attachments	

The following, completed in accordance with the requirments of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan
- A surface Use Plan (if location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an exisiting bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

SIGNED Jan Nelson Name (printed/typed) Jan Nelson

TITLE Regulatory Affairs

(This space for Federal or State office use)

Accepted by the DATE 8-17-06
Utah Division of
Oil, Gas and Mining

FOR RECORD ONLY

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify the applicant holds any legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Assistant Field Manager
Lands & Mineral Resources

TITLE Asst Land & Minerals

DATE 11-30-2006

*See Instructions On Reverse Side

Title 18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction

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JAN 30 2007

DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

06 AM 1291A

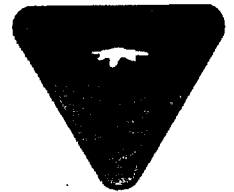


UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: QEP Uintah Basin, Inc.
Well No: GB 1M-4-8-22
API No: 43-047- 35462

Location: NWNW, Sec 17, T10S, R17E
Lease No: UTU-75082
Agreement: Wilkin Ridge (Deep) Unit

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Petroleum Engineer:	Jim Ashley	Office: 435-781-4470	Cell: 435-828-7874
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Scott Ackerman	Office: 435-781-4437	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

- | | | |
|---|---|--|
| Location Construction
(Notify Karl Wright) | - | Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion
(Notify Karl Wright) | - | Prior to moving on the drilling rig. |
| Spud Notice
(Notify Petroleum Engineer) | - | Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing
(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings. |
| BOP & Related Equipment Tests
(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice
(Notify Petroleum Engineer) | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

1. The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. An approved Sundry Notice is required before adding any oil to the drilling mud.
2. A formation integrity test shall be performed at the surface casing shoe and intermediate casing shoe.
3. A Cement Bond Log (CBL) shall be run in the production casing from the TD to the top of cement. A field copy of the CBL shall be submitted to the BLM Vernal Field Office for review.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
6. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
7. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
- a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.

13. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Questar E & P
Daily Drilling Report

43-047-35462

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Questar E & P
Daily Drilling Report

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WELL: GB 1M-4-8-22 - 7		SIDETRACK:		DATE: 1/6/2007	
EVENT: DRILLING		LOCATION: 4- 8-S 22-E 26		REPORT NO.: 02	
UNIQUE NO.: UT08695P34		COUNTY: UINTAH UTAH		DFS / DOL: 2.0 (days) / 2.0 (days)	
TODAY'S DEPTH: 375 (ft)		RIG NAME/NO: TRUE 32		AFE #: 28405	
DAILY WELL COST: 20,803		PROGRESS: 315 (ft)		ROT. HOURS: 9.0 (hr)	
CUM. WELL COST: 41,605		TVD: 375 (ft)		CUM ROT. HOURS: 9.0 (hr)	
AFE AMOUNT: 5,658,650		FORMATION: UINTA		MUD GAS DATA	
PRESENT OPERATION: DRILLING 17 1/2" HOLE		CONNECTION:			
24 HR FORECAST: DRILLING SURFACE		TRIP/DOWNTIME:			
LITHOLOGY: SURFACE		BACKGROUND:			
CASING		DRILLING DATA		PERSONNEL	
LAST CASING: (in)		STRING WT UP:		SUPERVISOR: CHARLES CRUTH	
DEPTH: (ft)		STRING WT DN:		ENGINEER: JIM DAVIDSON	
NEXT BOP PRESS TEST:		STRING WT RT:		RIG FUEL	
L.O.T. EMW: (ppg)		TORQUE:		FUEL USED: 0 (gal)	
SURVEY DATA (LAST 4)		GENERAL			
DEPTH		ANGLE		AZIMUTH	
TVD		N/S(-)		E/W(-)	
V.S.		DLS		RIG PHONE NO: 1-307-320-5593	
SPUD DATE/TIME: 1/5/2007 @ 15:30		RR DATE/TIME: @ :			
BIT RECORD					
BIT #		SIZE		TYPE	
TFA		DEPTH		CUM.	
CUM.		ROP		WOB	
MAX		HHP		DULL CONDITION	
I		O		B	
G		R		SERIAL NO.	
MANUF.					
OPERATIONS (06:00 TO 06:00)		MUD DATA			
FROM		TO		HRS	
P/U/T		DETAILS		MUD TYPE:	
MUD ENGINEER:		DENSITY (IN/OUT):/		ECD:	
GELS (10s/10m)/		VISCOSITY:			
PV/YP /		HTHP @			
API WL:		LGS:			
SAND:		OIL:			
MBT:		LIME:			
pH:		Pm:			
Pf:		Mf:			
Cl-:		Ca+:			
K+:		ES:			
CACl2:		CARBONATE:			
BICARBONATE:		F.L. TEMP.:			
WATER ADD:		CHECK DEPTH:			
TODAY'S COST:		CUM. COST: 771.00			
COMMENTS:					
PUMP DATA					
# Strk. Len		Liner		Eff.	
gal/stk		SPM		Slow	
1 12.000					
2 12.000					
RATE:		DP AV: (ft/min)		DC AV: (ft/min)	
CURRENT BHA					
DESCR.		NO		LENGTH	
OD		ID			
TOTAL LENGTH: 0					
BHA HRS:		MOTOR HRS:			
JARS HRS:		SHOCK SUB HRS:			
ACCIDENT					
TODAY:					

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TODAY:		
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				BHA HRS:	MOTOR HRS:
CIDENT	None			JARS HRS:	SHOCK SUB HRS:

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Questar E & P Daily Drilling Report

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WELL: GB 1M-4-8-22	SIDETRACK:	DATE: 1/22/2007
EVENT: DRILLING	LOCATION: 4- 8-S 22-E 26	REPORT NO.: P14
UNIQUE NO.: UT08695P34	COUNTY: UINTAH UTAH	DFS / DOL: 3.0 (days) / 17.0 (days)
TODAY'S DEPTH: 529 (ft)	RIG NAME/NO: TRUE 32	AFE #: 28405
PROGRESS: 0 (ft)	ROT. HOURS: (hr)	DAILY WELL COST: 46,235
TVD: (ft)	CUM ROT. HOURS: 19.0 (hr)	CUM. WELL COST: 848,384
		AFE AMOUNT: 5,658,650

FORMATION: UINTA	MUD GAS DATA
PRESENT OPERATION: RIG DOWN TO SKID RIG 10 '	CONNECTION:
24 HR FORECAST: RIG DOWN TO SKID	TRIP/DOWNTIME:
LITHOLOGY: SURFACE	BACKGROUND:

CASING	DRILLING DATA	PERSONNEL
LAST CASING: 13.375 (in)	STRING WT UP:	SUPERVISOR: KENNETH CRUTH
DEPTH: 529 (ft)	STRING WT DN:	ENGINEER: JIM DAVIDSON
NEXT BOP PRESS TEST: 2/17/2007	STRING WT RT:	RIG FUEL
L.O.T. EMW: 10.51 (ppg)	TORQUE:	FUEL USED: 1,045 (gal)

SURVEY DATA (LAST 4)								GENERAL	
DEPTH	ANGLE	AZIMUTH	TVD	N/S(-)	E/W(-)	V.S.	DLS	RIG PHONE NO: 1-307-320-5593	
								SPUD DATE/TIME: 1/5/2007 @ 15:30	
								RR DATE/TIME: @ :	

BIT RECORD																	
BIT #	SIZE	TYPE	TFA	DEPTH OUT	CUM. FTGE	CUM. HOURS	ROP	WOB	MAX RPM	HHP	DULL CONDITION					SERIAL NO.	MANUF.
											I	O	B	G	R		
1	12.2	DP605SZ	2.148													7009666	HTC

OPERATIONS (06:00 TO 06:00)					MUD DATA				
FROM	TO	HRS	P/U/T	DETAILS	MUD TYPE: KCL WATER		MUD ENGINEER:		
06:00	15:00	9.00	P	NIPPLE DOWN BOPS, CUT WELL HEAD OFF, NIPPLE UP CONDUTOR PIPE TO CMT	DENSITY (IN/OUT): 8.40(ppg)/(ppg)		ECD: (ppg)		
15:00	20:30	5.50	P	RUN HOLE, L/D BHA	GELS (10s/10m)(lb/100ft²)/(lb/100ft²)		VISCOSITY: 26 (s/qt)		
20:30	21:30	1.00	P	TRIP HOLE TO 470' W/ DP OPEN END	PV/YP /		HTHP @ 0 (°F)		
21:30	22:30	1.00	P	RIG & CMT PLUG 13 3/8 CASING CMT W/ 400 SK, NEAT CLASS G # 15.8 CMT YIEL 1.5 PLUED FROM 529' TO SURFACE	API WL: (cc/30min)		LGS: 0.2 (%)		
					SAND: (%)		OIL: (%)		
					MBT: (ppb)		LIME: (ppb)		
					pH: 8.30		Pm:		
22:30	23:00	0.50	P	TRIP OUT 5 STANDS	Pf:		Mf: 0.15		
23:00	00:00	1.00	P	TOP CMT OUT IN 13 3/8 CASING	Cl-: (mg/L)		Ca+: (mg/L)		
00:00	02:00	2.00	P	LAY DOWN DP IN MOUSE TO SKID RIG	K+: (mg/L)		ES: (mV)		
02:00	06:00	4.00	P	RIG DOWN TO SKID RIG	CACL2: (%)		CARBONATE: (ppm)		
					BICARBONATE: (ppm)		F.L. TEMP.: 50 (°F)		
					WATER ADD: (bbl)		CHECK DEPTH: 529.00 (ft)		
					TODAY'S COST:		CUM. COST: 4,017.00		
					COMMENTS:				

PUMP DATA									
#	Strk.Len (in)	Liner	Eff.	gal/stk					Slow
								SPM	SPM
1	12.000								
2	12.000								
RATE:				DP AV: (ft/min)		DC AV: (ft/min)			

CURRENT BHA				
DESCR.	NO	LENGTH	OD	ID
Polycrystalline Diamond Bit		1.50	12.25	
Positive Displacement Motor	1	30.03	12.12	
Intergral Blade Stabilizer	1	4.80	9.000	3.060
Shock Sub	1	10.93	8.187	2.435
Non-Mag Drill Collar	1	8.15	8.185	2.815
Cross Over	1	3.90	8.815	3.000
Heavy Weight Drill Pipe	6	178.43	8.250	4.000
Cross Over	1	2.02	8.000	4.000
Heavy Weight Drill Pipe	33	1,005.5	4.500	2.500
Drilling Jar	1	30.63	6.500	2.250
Heavy Weight Drill Pipe	6	182.58	6.500	2.250
TOTAL LENGTH: 453.97				

BHA HRS:	MOTOR HRS:
JARS HRS:	SHOCK SUB HRS:

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ACCIDENT	None
TODAY:	

Questar E & P
Daily Drilling Report

WELL: GB 1M-4-8-22 2		SIDETRACK:		DATE: 1/23/2007																				
EVENT: DRILLING		LOCATION: 4- 8-S 22-E 26		REPORT NO.: P15																				
UNIQUE NO.: UT08695P34		COUNTY: UINTAH UTAH		DFS / DOL: 3.0 (days) / 18.0 (days)																				
TODAY'S DEPTH: 529 (ft)		RIG NAME/NO: TRUE 32		AFE #: 28405																				
PROGRESS: 0 (ft)		ROT. HOURS: (hr)		DAILY WELL COST: 40,828																				
TVD: (ft)		CUM ROT. HOURS19.0 (hr)		CUM. WELL COST: 889,212																				
FORMATION: UINTA				AFE AMOUNT: 5,658,650																				
PRESENT OPERATION: RIG DOWN FOR SKID				MUD GAS DATA																				
24 HR FORECAST: P/U SUB PULL MATS, DIG CELLAR INSTALL CELLAR RING , SKID RIG				CONNECTION:																				
LITHOLOGY: SURFACE				TRIP/DOWNTIME:																				
				BACKGROUND:																				
CASING		DRILLING DATA		PERSONNEL																				
LAST CASING: 13.375 (in)		STRING WT UP:		SUPERVISOR: KENNETH CRUTH																				
DEPTH: 529 (ft)		STRING WT DN:		ENGINEER: JIM DAVIDSON																				
NEXT BOP PRESS TEST: 2/17/2007		STRING WT RT:		RIG FUEL																				
L.O.T. EMW: 10.51 (ppg)		TORQUE:		FUEL USED: 1,040 (gal)																				
SURVEY DATA (LAST 4)				GENERAL																				
DEPTH	ANGLE	AZIMUTH	TVD	N/S(-)	E/W(-)	V.S.	DLS	RIG PHONE NO: 1-307-320-5593																
								SPUD DATE/TIME: 1/5/2007 @ 15:30																
								RR DATE/TIME: @ :																
BIT RECORD																								
BIT #	SIZE	TYPE	TFA	DEPTH	CUM.	CUM.	ROP	WOB	MAX	HHP	DULL CONDITION			SERIAL NO.	MANUF.									
				OUT	FTGE	HOURS			RPM		I	O	B	G	R									
1	12.2	DP605SZ	2.148											7009666	HTC									
OPERATIONS (06:00 TO 06:00)											MUD DATA													
FROM	TO	HRS	P/U/T	DETAILS							MUD TYPE: KCL WATER MUD ENGINEER:													
06:00	06:00	24.00	P	RIG DOWN TO SKID RIG 10' (WILL HAVE TRUCKS, CRAIN , 2 D-8 CATS TO SKID 1/23/2007) SET BOP OUT, CHOKE MANFOILD, FLOW LINE, GAS BUSTER LINES, WELD GUIDE ON MATS FOR SLIDING SUB, SLAT ALL SKIDS ON SUB.							DENSITY (IN/OUT):8.40(ppg)/(ppg) ECD: (ppg)													
											GELS (10s/10m)(lb/100ft²)/(lb/100ft²) VISCOSITY: 26 (s/qt)													
											PV/YYP / HTHP @ 0 (°F)													
											API WL: (cc/30min) LGS: 0.2 (%)													
											SAND: (%) OIL: (%)													
											MBT: (ppb) LIME: (ppb)													
											pH: 8.30 Pm:													
											Pf: Mf: 0.15													
											Cl-: (mg/L) Ca+: (mg/L)													
											K+: (mg/L) ES: (mV)													
											CACl2: (%) CARBONATE: (ppm)													
											BICARBONATE: (ppm) F.L. TEMP.: 50 (°F)													
											WATER ADD: (bbl) CHECK DEPTH:529.00 (ft)													
											TODAY'S COST: CUM. COST: 4,017.00													
											COMMENTS:													
											PUMP DATA													
				# Strk.	Len.	Liner	Eff.	gal/stk								Slow								
				(in)										SPM		SPM								
				1	12.000																			
				2	12.000																			
				RATE:		DP AV:		(ft/min)		DC AV:		(ft/min)												
				CURRENT BHA																				
				DESCR.	NO	LENGTH	OD	ID																
				Polycrystalline Diamond Bit		1.50	12.25																	
				Positive Displacement Motor	1	30.03	12.12																	
				Intergral Blade Stabilizer	1	4.80	9.000	3.060																
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				Heavy Weight Drill Pipe	6	182.58	6.500	2.250																
				TOTAL LENGTH: 453.97																				
ACCIDENT				None							BHA HRS:							MOTOR HRS:						
TODAY:											JARS HRS:							SHOCK SUB HRS:						

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DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE - Amended Report on 1/15/07

1. Type of Well Oil <input type="checkbox"/> Gas <input type="checkbox"/> Well <input type="checkbox"/> Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	2. Name of Operator QEP, UINTA BASIN, INC.	3. Address and Telephone No. 1571 East 1700 South - VERNAL, UT 84078-8526	Contact: Dahn.Caldwell@questar.com 435-781-4342 Fax 435-781-4357	5. Lease Designation and Serial No. UTU-02510A	6. If Indian, Allottee or Tribe Name N/A	7. If Unit or CA, Agreement Designation WHITE RIVER UNIT	8. Well Name and No. GB 1M 4 8 22	9. API Well No. 43-047-35462	10. Field and Pool, or Exploratory Area WHITE RIVER	11. County or Parish, State UINTAH
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1139' FNL, 469' FEL (LOT 8), SEC 4-T8S-R22E, NENE										

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Drilling & Abandonment</u>	<input type="checkbox"/> Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Please be advised that the GB 1M 4 8 22 well has been drilled and abandon.

- 1 - On 1/01/07 Spud the well.
- 2 - Never got past 529'.
- 3 - On 1/21/07 - ND BOP's, cut well head off, NU conductor pipe to cmt.
- 4 - Rig & cmt plug 13-3/8" csg. Cmt w/ 400 sxs Class "G" from 529' to surface.
- 5 - Top cmt out in 13-3/8" csg.
- 6 - On 1/23/07 - Rig down to skid rig 10' to GB 1M 4 8 22R.

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3 - BLM, 2- Utah OG&M, 1 - Denver, 1 - file Word file-server

14. I hereby certify that the foregoing is true and correct.
Signed Jim Simonton Title Completion Supervisor Date 7/10/07

(This space for Federal or State office use)

Approved by: _____ Title _____ Date _____
Conditions of approval, if any _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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